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LEGISLATIVE HISTORY

Public Law 266--81st Congress

Chapter 506--1st Session

H. R. 4177

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INDEPENDENT OFFICES APPROPRIATION ACT, 1950. Includes funds for the Budget Bureau, Emergency Fund for the President, Council of Economic Advisers, Federal Works Agency (including $22,500,000 for Public Roads Administration, forest highways and for PBA for national industrial reserve), General Accounting Office, Housing and Home Finance Agency, Housing Expediter, Civil Service Commission, Federal Power Commission, Federal Trade Commission, Interstate Commerce Commission, National Archives, Smithsonian Institution, Tariff Commission, TVA, etc.

Limits the use of funds by agencies included in the Act for salaries of persons engaged in personnel work to a ratio of one personnel employee to 115 full-time, part-time, and intermittent employees of such agencies. Restricts the detail of executive-branch employees to the Civil Service Commission. Prohibits the use of CSC appropriations for the Legal Examining Unit or for persons who allocate or reallocate supervisory positions in the classified civil service solely on the basis of number of employees supervised.

Provides, in connection with appropriations for Public Buildings Administration, that all furniture now owned by the U. S. in other public buildings or in buildings rented by the U. S. shall be used, so far as practicable, whether or not it corresponds with the present regulation plan for furniture. Provides for reimbursable services to other Government agencies by PBA.

Contains the following provisions for all departments for the fiscal year 1950: Limits to $1,400 the amounts which the Government may pay for automobiles unless otherwise specifically provided. In general prohibits employment of aliens. Permits living-quarters and cost-of-living allowances for Government employees permanently stationed in foreign countries. Prohibits salary payments for persons whose nominations have been rejected by the Senate. Limits the price which may be paid for the U.S.C. Annotated ($4 a volume) and the Lifetime Federal Digest $4.25 a volume.

The Act also provides that after June 30, 1949, the corporations or agencies subject to the Government Corporation Control Act are authorized, with the approval of the Comptroller General, to consolidate, notwithstanding the provisions of any other law, into one or more accounts for banking and checking purposes all cash, including amounts appropriated, from whatever source derived, and that such cash shall be expended in accordance with their respective enabling acts and any other acts applicable to their transactions.

INDEX AND SUMMARY OF HISTORY ON H. R. 4177

January 26, 1949	Hearings: House, H. R. 4177. Pt. 1.
February 23, 1949	Hearings: House, H. R. 4177. Pt. 2.
April 11, 1949	House Appropriations Committee reported H. R. 4177. House Report 425. Print of the bill as reported.
April 14, 1949	House debated and passed H. R. 4177 with amendments.
April 18, 1949	Print of H. R. 4177 as referred to the Senate Committee on Appropriations.
April 21, 1949	Print of an amendment proposed by Senator Thomas.
May 11, 1949	Hearings: Senate, H. R. 4177.
May 16, 1949	Hearings: House, additional hearings, Atomic Energy Comm.
May 23, 1949	Print of an amendment proposed by Senator Lucas.
July 8, 1949	Prints of amendments proposed by Senator O'Mahoney.
	Senate Appropriations Committee reported H. R. 4177 with amendments. Senate Report 639. Print of the bill as reported.
July 11, 1949	Print of an amendment proposed by Senator Pepper.
July 12, 1949	Print of an amendment proposed by Senator Pepper.
July 13, 1949	Print of an amendment proposed by Senator Saltonstall.
July 21, 1949	Print of an amendment proposed by Senator O'Mahoney.
July 27, 1949	Senate began debate on H. R. 4177. By a 51-33 vote, agreed to the committee amendment increasing the amount for the Budget Bureau (pp. 10481-3). By a 40-39 vote, agreed to the committee amendment increasing the amount for the Council of Economic Advisers (pp. 10484-5). By a 38-41 vote, rejected the committee amendment increasing the amount for the Civil Service Commission (pp. 10485-7).
July 28, 1949	Senate debate continued. Agreed to the committee amendment increasing CAO by $2,426,000, after rejecting a modified Bridges amendment reducing this sum by $1,708,450. Rejected committee amendments to increase the amounts for maintaining public buildings in and outside of D. C.
	Prints of amendments proposed by Senator Morse.
July 29, 1949	Senate debate continued.
August 1, 1949	Senate debate continued.
August 2, 1949	Senate concluded their debate and passed H. R. 4177 with amendments. Agreed, 46-44, to reconsider the vote by which

the committee amendment increasing the amount for the Civil Service Commission had been rejected, and then agreed to the committee amendment by a 51-40 vote (pp. 10809-17). Agreed to amendments by Sen. Morse to prohibit the Legal Examining Unit, of CSC, from employing non-governmental employees in its work, and prohibiting the hiring of such employees unless they certify that they have no interest in cases being handled under the Administrative Procedure Act. (p. 10835).

Senate conferees appointed.

Print of the bill with the amendments of the Senate numbered.

August 3, 1949 — House conferees appointed.

August 12, 1949 — House received the conference report. House Report 1262.

August 15, 1949 — House and Senate discussed the conference report. One amendment remains in disagreement.

Print of amendment No. 74.

August 17, 1949 — Senate continued debate on conference report. In disagreement on funds which would reduce the Office of the Housing Expediter.

August 19, 1949 — Senate continued debate on conference report, regarding funds for Housing Expediter.

August 22, 1949 — Both houses agreed to the conference report.

August 24, 1949 — Approved. Public Law 266.

81st Congress } HOUSE OF REPRESENTATIVES { Report
1st Session } { No. 425

INDEPENDENT OFFICES APPROPRIATION BILL, 1950

April 11, 1949.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Thomas of Texas, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 4177]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1950, and for other purposes.

SCOPE OF THE BILL

The bill provides appropriations for the Executive Office of the President and sundry independent offices estimated for in the independent offices chapter of the 1950 budget, pages 41 to 164, inclusive, and funds for the Federal Works Agency, estimates for which will be found in the budget, pages 247 to 278, inclusive. The bill also includes funds for certain Government corporations heretofore contained in the Government Corporations Appropriations Act, namely, the Inland Waterways Corporation of the Department of Commerce, pages 1303 to 1313 of the budget, the Housing and Home Finance Agency, pages 1067 to 1155 of the budget, and the Tennessee Valley Authority, pages 1205 to 1227, inclusive. The committee also considered supplemental estimates contained in House Documents 40, 48, 85, and 90.

APPROPRIATIONS AND ESTIMATES

A tabulation appears at the end of this report giving each appropriation recommended for the fiscal year 1950, the amounts appropriated for the fiscal year 1949, and the budget estimates for the fiscal year 1950, together with the increase or decrease in appropriations and estimates as compared with the amounts recommended in the bill. A statement of contract authorizations follows this tabulation.

A summary of the totals in the tabulation is as follows:

The budget estimates for 1950 total	$7,775,566,830
The committee recommends in the bill	7,104,571,603
The cash reductions total	670,995,227
Reductions by the committee in contract authorizations recommended in the budget estimates total	63,685,372
Total reduction in cash and contract authorizations amount to	734,680,599
The bill is in excess of 1949 appropriations by	296,202,940

With the single exception of the bill for the Military Establishment, the pending measure contains more funds than any other bill to be considered during the present session. In effecting total savings below the budget estimates amounting to $734,680,599 in cash and contract authorizations the committee feels that it has applied such reductions where they will least impair or slow down the work of the agencies provided for in the bill. The committee is convinced, also, that the reduction of operating funds for several agencies which expanded tremendously during the war years will result in placing such agencies on a basis more nearly comparable to their present requirements. The committee further wishes to emphasize that the total appropriation for no agency has been increased above the budget estimates and that substantial reductions have been made in nearly every one of them.

Funds for the administrative expenses of certain wholly owned Government corporations are provided in title II of the bill. These funds are provided by authorization for the use of money already credited to such agencies as a result of their operations. The activities provided for in this bill under this title are the Tennessee Valley Authority, the Housing and Home Finance Agency, and the Inland Waterways Corporation of the Department of Commerce. The budget estimates for 1950 for the administrative expenses of these corporations contemplate the expenditure of $39,169,000. The bill authorizes the expenditure of $37,024,400, which is $392,400 less than the 1949 authorization and $2,144,600 below the budget estimates. An explanation of the reductions made by the committee and other recommendations concerning these corporations will be found under their appropriate headings in this report.

JOINT ACCOUNTING PROGRAM

The committee has been concerned for several years over the state of accounting in the Government, particularly in certain areas such

as property and cost accounting. For the purpose of aiding the solution of this problem, section 109 was added to the Independent Offices Appropriation Act, 1948, to insure that agencies for which funds were provided in the act would install and maintain systems for administrative appropriation, fund, and inventory accounting prescribed or approved by the Comptroller General. This section is continued as section 107 of this bill. The General Accounting Office has reported approval of systems for all agencies affected by this provision, subject to further action after study of the possibilities for improved procedures.

During hearings before the committee in January 1948, the Comptroller General advised the committee of the establishment of a new division to cooperate with the Bureau of the Budget, the Treasury Department, and other agencies of the Government in a program to develop an integrated pattern of accounting and financial reporting for the Government as a whole. Recently a program was agreed upon and joint documents approved by the Comptroller General, the Secretary of the Treasury, and the Director of the Bureau of the Budget, and the committee is advised that the program is receiving the support and cooperation of the other Government agencies.

The committee believes that this cooperative effort is the best way to achieve results and commends the three officials who have taken the lead in this important matter. The committee and the Congress can do a better job if provided with more current, accurate, and useful information as to the financial condition of the Government and what has happened to the taxpayers' money.

EMPLOYEES ENGAGED IN PERSONNEL WORK

In connection with its consideration of this bill in the past 2 years the committee made many inquiries of agencies as to the ratio of personnel employees to the total number of employees in each agency. Early information disclosed a wide disparity between the several agencies which were investigated. Thereupon the committee requested the Bureau of the Budget to study the matter with a view to curtailing and standardizing on a minimum basis the ratio of such employees to the whole number of employees in each agency.

Little was accomplished by the Bureau during the fiscal year 1948, and the committee renewed its request in connection with the 1949 bill, pointing out that the total number of persons engaged in this work on the Federal pay roll in 1948 amounted to 25,191, as compared with 4,197 in 1938, and that in 1938 the ratio was 1 to 208 whereas in 1947 it was 1 to 85. The committee also urged that standards be prescribed in connection with budget work, accounting, and other operations common to all agencies of Government.

The committee is pleased to report that in connection with its consideration of the 1950 estimates it has had available a full and complete report prepared by the Bureau of the Budget setting up staffing guides for personnel, fiscal, and property activities. In formulating the 1950 budget the Bureau applied reductions as a result of the application of such standards. In connection with personnel employees, a reduction of 2,139 employees and $7,331,058 was provided in the budget estimates as submitted. The staffing guide used by the Bureau for the 1950 estimates was one employee for each 103 civilian employees served.

While the standards set by the Bureau is a step in the right direction, and the committee feels that much valuable work has been done in this connection, it is of the opinion that the ratio of 1 to 103 is too low and that in no agency should the ratio be lower than 1 personnel employee to every 125 employees. The committee has, therefore, included language in the bill applicable to all agencies for which funds are provided, setting the ratio at 1 to 125. Where an agency employs less than 125 persons, provision is made for application of the same ratio on a proportionate basis.

GENERAL PROVISIONS

The general provisions governing the expenditure of appropriations for agencies included in title I of the bill follow title I appropriation items and consist of sections 102 to 111. Similarly, general provisions relating to the expenditure of funds for Government corporations will be found in the bill beginning on page 72. Title III of the bill, beginning on page 74, contains general provisions relating to the expenditure of funds for all Government agencies and corporations. Reference to and explanation of many of these provisions will be found at various points in this report.

EXECUTIVE OFFICE OF THE PRESIDENT

The bill contains funds as submitted in the estimates for the Executive Office of the President. In lieu of a salary for the President of $75,000, as provided in the current law, the bill contains $150,000 for salary and expenses of the President as authorized by Public Law 2 of the present Congress. The bill also contains $1,375,140 for salaries and expenses of the White House Office, which is an increase of $405,528 over the 1949 appropriation. Of the increase recommended, $200,000 represents the transfer of activities previously carried under "Emergency personal services," for the White House. The funds recommended will be used to pay salaries and expenses of the entire secretarial staff and for the other administrative expenses of the White House Office.

Emergency funds for the President, including disaster relief.—The bill includes $1,000,000 for this purpose, which is the amount recommended in the budget estimates. This sum represents an actual reduction from the funds available in the fiscal year 1949 when a total of $1,700,000 was provided. The President should have sufficient funds at his disposal to be able to deal swiftly with serious disasters as they arise, and the sum of $1,000,000 is regarded as the minimum reserve for the fiscal year 1950. The use of emergency funds to extend prompt aid to the snow-stricken area of the Midwest is an excellent example of the need for such funds.

Rescission of emergency funds appropriated to the President.—The bill includes provision for the rescission of $135,000,000 of funds heretofore appropriated to the President for payments in connection with the Armed Forces Leave Act, 1946, which will not be required.

The bill also includes a provision to the effect that the balance remaining unobligated on June 30, 1949, heretofore provided for overtime, leave, and holiday compensation, which will not be required, shall be carried to the surplus fund and covered into the Treasury.

Bureau of the Budget.—The committee has recommended $2,983,050 forth is agency, which is a reduction of $130,950 under the 1949 appropriation, and $331,450 less than the estimates. In applying a reduction of $331,450, the committee has taken into consideration the expansion of this agency during the last 10 years. In the fiscal year 1940 the Bureau received an appropriation of $671,455. The estimates for 1950 contemplate a total of $3,314,500. These figures show that while the request for 1950 proposes an increase of about 5 times the 1940 appropriation, the total increase requested for the entire Government in new appropriations for 1950 is about 3.5 times the 1940 appropriation. The comparison is even less favorable to the Bureau if applied to the top appropriations of the war years. For instance, for the fiscal year 1944, total Federal appropriations were about 114.5 billion dollars and the total appropriation for the Bureau of the Budget was $2,508,029, with 564 employees. In 1950, when requests for new appropriations total about 38.5 billion dollars, the request for funds for the Bureau of the Budget total $3,314,500, with 534 employees. It is inescapable that there is a definite relation between the total amount of appropriations for the Federal Government and the amount required for this Bureau in connection with its work of processing requests for funds. The committee feels that the comparison is not favorable to the proposed request for funds for the fiscal year 1950.

The reduction recommended is intended to be applied primarily to the Administrative Office, the Division of Administrative Management, and the Division of Statistical Standards. The request for employees to carry on housekeeping functions is excessive, and the number of employees engaged in statistical work is entirely out of line with essential requirements. A very substantial reduction should be made in the number of employees engaged in this latter work.

Council of Economic Advisers.—The bill includes $300,000 for the Council of Economic Advisers, which is the amount of the 1949 appropriation and $40,000 less than the budget estimates. The amount recommended will require this agency to operate with one or two less employees during 1950, since Pay Act funds must be provided for 1949 in an amount estimated at $11,000 to meet the requirements of the current pay roll. In view of the fact that other agencies of government have many persons engaged in the study of economics and the compilation of statistics in this connection, and the Council serves as an adviser to the President in interpreting, analyzing, and forecasting the effect of these and other statistics prepared for them, it is believed the Council can so adjust its professional staff as to enable it to operate during the next fiscal year without impaired efficiency.

AMERICAN BATTLE MONUMENTS COMMISSION

Salaries and expenses.—The committee recommends $644,300 for salaries and expenses, which is $289,300 in excess of the 1949 appropriation and $113,700 less than the budget estimates. The very substantial increase in the current appropriation is due to the taking over by the Commission of the operation and maintenance of 14 World War II cemeteries and memorials and to the employment of professional personnel to supervise the construction program provided for in this bill. The committee is of the opinion that there will

be some delay in the initiation of each of these programs and that the reduction recommended will cause no hardship or delay in operations.

Construction of memorials and cemeteries.—The committee has included in the bill the full amount of the estimate for this purpose, consisting of an appropriation of $5,276,500 and a contract authorization of $5,000,000, of which $1,276,500 is for payment of obligations incurred during the fiscal year 1949. Recently revised estimates disclose that the entire cost of the construction program will amount to $43,194,998. A summary of preliminary estimates of the cost of this program will be found beginning on page 1,026 of part I of the printed hearings. In allowing the total estimate for construction the committee wishes to point out that the reduction in construction costs, which probably extend to the European area, should permit the performance of work at less cost than was originally estimated. While the committee does not want to be responsible for slowing down this work, it is of the opinion that next year the Commission should be able to report accomplishments in excess of the original program and that unobligated funds will be available for additional construction work during the fiscal year 1951.

ATOMIC ENERGY COMMISSION

The bill includes a total of cash and contract authorization for the fiscal year 1950 amounting to $1,090,120,397. This sum is $76,879,603 less than the budget estimates which totaled $1,167,000,000. The following tables give a detailed summarization of the amounts proposed in the budget estimates, the amounts recommended in the bill, and the reductions in the estimates.

It is the understanding of the committee that diversions may be made from one program to another to meet emergencies or essential changes in program which may develop since committee hearings on the bill.

The tables referred to above are as follows:

Cash requirements of the Atomic Energy Commission for fiscal year 1950 (exclusive of amount for liquidating prior year contract authorization)

Program	Budget estimate	Committee recommendation	Reduction
200 Source and fissionable materials	$126,717,006	$107,709,455	$19,007,551
300 Weapons	109,533,076	109,000,000	533,076
400 Reactor development	52,921,460	52,500,000	421,460
500 Physical research	13,129,383	11,159,976	1,969,407
600 Biology and medicine	11,452,353	9,734,500	1,717,853
700 Community program	23,566,772	20,031,755	3,535,017
800 Administrative services	27,675,228	23,523,944	4,151,284
Transfer to Public Health Service	4,722	3,250	1,472
Total (exclusive of amount for liquidating prior year contract authorization)	365,000,000	333,662,880	31,337,120

Contract authorization of the Atomic Energy Commission for the fiscal year 1950

Program	Budget estimate	Committee recommendation	Reduction
200 Source and fissionable materials	$172,098,155	$146,283,432	$25,814,723
300 Weapons	100,675,799	100,000,000	675,799
400 Reactor development	67,277,580	67,000,000	277,580
500 Physical research	42,190,758	35,862,144	6,328,614
600 Biology and medicine	21,412,182	18,200,355	3,211,827
700 Community program	21,807,814	18,536,642	3,271,172
800 Administrative services	1,537,712	1,307,055	230,657
Total contract authorization recommended for fiscal year 1950	427,000,000	387,189,628	39,810,372

Recapitulation of cash and contract authorization for fiscal year 1950

	Budget estimate	Committee recommendation	Reduction
Cash for liquidating prior year contract authorization	$375,000,000	$375,000,000	
Cash for fiscal year 1950 (exclusive of amount for liquidating prior year contract authorization)	365,000,000	333,662,880	−$31,337,120
Total amount available for expenditure in fiscal year 1950	740,000,000	708,662,880	−31,337,120
Less reappropriation of unobligated balance of prior year appropriations		5,732,111	−5,732,111
Recommended appropriation for fiscal year 1950	740,000,000	[1] 702,930,769	−37,069,231
Contract authorization for fiscal year 1950	427,000,000	387,189,628	−39,810,372
Total cash and contract authorization, 1950	1,167,000,000	[1] 1,090,120,397	−76,879,603

[1] And reappropriation of unobligated balance of $5,732,111.

In connection with the above reductions it should first be noted that the committee has recommended substantially no cut in funds for program 300-Weapons and program 400-Reactor development which is about one-third of the total AEC program. These two programs dealing with projects which might be described as our first line of defense are regarded as of the utmost importance to our national security and the committee does not feel justified in effecting economies in this field of atomic development. The net result of the recommendation of the committee as to these two programs due to the decrease in the cost of materials, supplies, and equipment since this estimate was prepared last fall is to provide funds and authorizations about 15 percent in excess of that contemplated in the estimates.

Referring to the reductions made by the committee in other programs it is believed that sufficient funds and authorizations have been allowed to permit continuation and obtain satisfactory progress in the several fields in which the commission is operating. However, there is no intention to cripple any activity of this important agency and the committee feels that if the commission practices the economy it should in its industrial operations, town management program and its Washington office, that additional substantial savings can be made in these programs.

In recommending a reduction of $3,535,017 in cash and $3,271,172 in contract authorization for the community program 700, the committee is of the opinion that the Commission should give every consideration to the reduction of expenses at the three major plants, Oak Ridge, Tenn., Los Alamos, N. Mex., and Hanford, Wash. The cost of town operations including the number of employees hired by the contractor at each of these points is excessive and the Commission should require substantial reductions in new contracts to be negotiated this spring, or give serious consideration to taking over operation by the Government. Likewise, the committee is of the opinion that housing construction costs should be reduced and that the Commission should not proceed with new construction until a reasonable rental structure is established. Present rentals paid by employees in the several towns are appreciably below the amount which should be paid if the Government is to get a fair return on its investment.

The committee has recommended a reduction of $4,151,284 in cash and $230,657 in contract authorization in connection with program 800—Administrative services. The total employment proposed for this work in the next fiscal year is 4,633.4 man-years, which is 18.3 man-years in excess of the number authorized for the current fiscal year. In addition to the Washington staff, administrative personnel are located at Oak Ridge, New York, Chicago, Santa Fe, and Hanford. The committee appreciates the fact that many of these offices have been established only recently and that there has been little time to reorganize and cut down on unnecessary personnel, but it feels that in the light of present year operations and with the earnest effort of officials administering the atomic energy program, readjustments can and should be made to permit efficient operation within the amount allowed by the committee.

One of the most important discussions during the hearings centered around the inquiry into the device used by the Commission in connection with its program for the production of fissionable materials. It is the understanding of the committee that this procedure applies to other parts of the atomic energy program. The device referred to consists of a procedure whereby the Government supplies the contractor with monthly advances of funds for the operations which he is conducting. The contractor supplies no funds and consequently assumes no risks in his operations under these circumstances. In effect, he is operating on a cost-plus basis which is the most expensive method of operating. Likewise, the committee wishes to call attention to the fact that under these conditions, a strike called at any of these plants is, in effect, a strike against the Government of the United States, such employees being paid entirely from Government funds. The committee calls this situation to the attention of the appropriate legislative committee and to the members of the Atomic Energy Commission with the recommendation that steps be taken to correct this undesirable situation.

During hearings on the bill it was disclosed that in the fiscal year 1950 the commission proposed to pay to the various universities in this country, in the form of fellowships and contracts for research, a total of $23,378,000. The committee believes that this sum is excessive and recommends that a substantial reduction be effected in the allocation of funds for this portion of the program.

Another matter which came to the attention of the committee during the course of the hearings was the inequity which exists in the State of New Mexico, where the state collects a sales tax from employees of the commission located in the State, such tax being collected for the support of schools throughout the State. No part of this tax is apportioned to schools operated for the benefit of the children of employees of the commission. The committee recommends that appropriate steps be taken to secure an understanding with State officials, and, if necessary, the State legislature, to secure a fair distribution of these funds.

As a part of the joint program for improving accounting in the Federal Government the General Accounting Office has been working with AEC in the development of accounting standards and procedures suited to the special needs of the industrial-type programs carried on by the Commission through contractors. The committee is glad to note the efforts of AEC in its development of accounting for assets, liabilities, income and expense on the accrual principle, and the provision for development of functional costs. The Commission is urged to increase its efforts so that a fully adequate system of accounts may be in effect at the earliest possible date. It should accomplish this within the fiscal year 1950.

Last year, the committee experienced considerable difficulty in reviewing the budget estimates of the Commission because of the inadequate and confused functional break-downs used. The facts and figures presented to the committee were of little or no value in enabling it to reach a logical conclusion. While the presentation was substantially improved this year, there still exists a serious deficiency in that the budget was not established on a cost basis and therefore cannot be reconciled with the figures developed under the accrual system of accounting now being installed by AEC with the approval of the Comptroller General. It is imperative that budget estimates in the future be integrated with accounting results and procedures.

In submitting a recommendation to the committee in connection with the reappropriation of unobligated balances the Commission suggested that language be added to the bill authorizing the merger of the 1950 appropriation with the obligated balances of prior appropriations which, in effect, would provide a single account for all funds available to the Commission after June 30, 1949. While the committee is impressed with the value of this procedure from an accounting standpoint, it is not ready to go along with the Commission in recommending the proposal at this time. The committee is reinforced in its stand by the fact that one of the Government agencies directly concerned has not approved the plan. Also, the committee is not inclined at this time to favor the granting of a one-fund continuing appropriation for administrative and operating purposes. It is believed that no other Government agency operating on a large scale, has this unlimited authority as to administrative and operating expenses. The committee will be glad to consider such a proposal in connection with the 1951 estimates, provided administrative and operating expenses are separated from construction funds, and provided, also, that all agencies of the executive branch concerned are in agreement on the program.

CIVIL SERVICE COMMISSION

The bill contains $14,000,000 for salaries and expenses of the Commission, which is $1,641,000 less than the 1949 appropriation and $3,520,000 below the budget estimates. The committee has specifically denied a request of $1,202,400 for allocation to the FBI in connection with the investigation of sensitive positions. Funds were not provided the Commission during the current year for this type of investigation by the FBI, and the committee is of the opinion that the Commission should perform such work as may be essential in this connection with its existing staff.

Figures presented by the Commission were to the effect that in excess of 50 percent of placements during the next fiscal year will be made as a result of examining and recruiting work to be performed by the agencies. The committee is of the opinion that this is a conservative estimate and that a much larger percentage of this work could be performed by the departments with resulting economy and efficiency. This procedure would be in line, also, with the recommendations of the committee in providing a reduction in funds for the fiscal year 1950.

In connection with the problem of removing inefficient personnel from the Government pay roll, it should be emphasized that the testimony was almost unanimous, both on and off the record, that civil-service procedures had resulted in discouraging the heads of agencies from seeking the removal of inefficient employees. The committee was advised that in many instances the head of an office was subjected to so much red tape and encountered so many obstacles, that it was easier to let an inefficient employee remain on the roll than to go through the procedure necessary to secure removal. The committee urges the Commission to study this situation with a view to improving it, either by appropriate regulation or through a request for necessary legislation from the Congress.

DISPLACED PERSONS COMMISSION

The act of June 25, 1948, which created the Displaced Persons Commission contemplated the admission to this country of 205,000 persons who were displaced from their countries of origin during the war or as a result of conditions brought about by World War II. The law permits the admission of this number by June 30, 1950.

During hearings on the bill the committee was advised that due to delays in getting the program under way the revised schedule called for bringing in about 45,000 displaced persons by June 30, 1949, and the remaining 160,000 during the fiscal year 1950. The committee was further advised that while the program had been lagging it was expected that the total quota of 205,000 persons could be processed and visas issued by June 30, 1950. The committee recommends an appropriation of $4,210,000, which is a reduction of $990,000 in the budget estimates. In explanation of this reduction attention is called to the fact that the Army will provide a total in excess of 600 Counter-Intelligence Corps agents without cost when this program is in full swing, and that substantial assistance will be received through funds provided by the German economy budget. A general speeding up of the processing of applications by the Army, the Federal Security

Agency, the State Department, and the Department of Justice, who are cooperating in the program will be necessary, however, if the goal is to be achieved. This condition can be expected to develop as personnel become more experienced in the operations involved.

A study of certain parts of the program revealed that some substantial economies should be effected in the Commission's budget. One or two outstanding examples can be cited in connection with the proposed reimbursement to the Army of $291,000 for rental of motor vehicles. The Army is operating in this area on a large scale and should not require reimbursement for this service. Another proposed charge of $62,000 for the travel of dependents of employees going to Europe is a highly questionable item. In view of the fact that this program is to close by June 30, 1950, it is the opinion of the committee that the use of funds for this purpose, except in most unusual circumstances, is wholly unjustified.

FEDERAL COMMUNICATIONS COMMISSION

The bill includes $6,525,000 for salaries and expenses of this Commission, which is an increase of $175,000 over the current appropriation and $108,000 below the budget estimate. In effecting this reduction, the committee wishes to point out that on February 21 the Commission had 1,349 employees on its pay roll and that there were 58 vacant positions, this situation indicating that there would be considerable savings in the pay roll of the Commission during the current fiscal year and that assuming a similar situation extended throughout the next fiscal year, a rather substantial reduction could be made in the 1950 estimates. The committee is also of the opinion that the Legal and Administrative Divisions of this agency are overstaffed and that some reductions should be made in these activities.

The committee ascertained, during hearings on the bill, that there was a backlog in the work of the Commission in connection with the processing of applications for radio broadcasting and safety and special service licenses. Many applications on file have been pending for more than a year. The Commission testified that the work could be regarded as current if radio broadcasting applications were acted upon within a 6-month period and that a 30-day period would be regarded as current in connection with applications for safety and special service licenses. In order that the Commission may achieve this goal the committee has stricken from the bill the limitation on personal services in the District of Columbia heretofore carried and has inserted a provision excepting from the Apportionment Act funds required for application processing in connection with broadcast activities and special and safety services. This latter provision will permit the Commission to spend funds without regard to apportionment during the first part of the next fiscal year and should be of assistance in expediting action on applications. The removal of the limitation on personal services in the District of Columbia will give more flexibility to the appropriation and it is the intention of the committee that services in connection with radio monitoring and other field operations shall be diminished and that funds saved through this means shall be applied to use in connection with application processing. The committee requests that the Commission report back to it by January 1, 1950, as to the progress which it has made in clearing up the backlog of broadcast and other applications.

FEDERAL POWER COMMISSION

Salaries and expenses.—The bill contains $3,650,000 for salaries and expenses, which is an increase of $450 over the 1949 appropriation and $211,000 less than the budget estimates. In line with its policy of effecting economy in the various items in the bill, the committee feels that the Commission should be required to absorb this reduction in connection with activities which are of least importance and that this can be done without injury to any necessary activity.

Flood-control surveys.—The bill includes $325,000 for flood-control surveys which is $15,000 less than the current appropriation and $25,200 below the budget figure. In line with its action on the preceding item, the committee feels that this reduction can be absorbed without undue impairment to flood-control survey work. The committee calls attention to the similarity of work performed by this agency and the Corps of Engineers of the Army and requests that the Commission use every care to avoid duplication of work being performed by the Army in this field.

FEDERAL TRADE COMMISSION

For this activity there is recommended $3,450,000 which is an increase of $1,965 over the 1949 appropriation and $289,000 less than the budget estimate. The committee has stricken from the bill two limitations heretofore carried in connection with enforcement of the Wool Products Labeling Act and Trade Practice Conference work. Funds for these items are set forth in the justifications presented by the Commission and are respected by the Commission in its allocation of the appropriation. No part of the reduction recommended by the committee has been applied to the antimonopoly work of the Commission, and the full amount as set forth in the justification of the Commission, totaling $1,578,959, is provided for this purpose.

The reduction of $289,000 is applied in substantial part to employees of the Bureau of Administration which is greatly overstaffed in relation to the operating personnel of the Commission. Figures presented to the committee show that the divisions making up the Bureau of Administration have a total of 187 employees and that the entire Commission pay roll totals 681. This percentage in housekeeping personnel is excessive and should be cut down substantially. Also, the committee feels that while the Bureau of Industrial Economics is performing a valuable service, it can be reduced to some extent without seriously interfering with its really essential work. In connection with the request for $47,000 for printing and binding, the committee has allowed a total of $25,000.

FEDERAL WORKS AGENCY

Office of the Administrator.—There is recommended for this office $300,000 which is a reduction of $44,540 in the current appropriation and $72,000 less than the budget estimate. The two major agencies under the Federal Works Agency are the Public Building Administration and Public Roads Administration. Both of these agencies are headed by career employees who are experts in their field and have been on the job for a lifetime and need little or no direction or coordi-

nation. The third Bureau, Community Facilities, contains no activities of a major nature. In view of this situation, the committee feels that the amount recommended in the bill, $300,000, is entirely adequate for such supervision and direction as may be essential in the coordination of the programs involved.

General Fleming is not only one of the most experienced administrators in Government service but one of the best. These qualities should enable him to greatly reduce his administrative expenses without curtailing his operations.

The bill also includes authorization for the use of $15,500 of funds available for administrative purposes in connection with the liquidation of the Public Works Administration. This is a reduction of $3,300 in the budget estimate. The committee has also included in the bill as recommended by the budget a provision providing for the servicing of securities issued by public authorities and other bodies in connection with the financing of projects constructed by the Public Works Administration. This work will be performed without expense to the Federal Government, since the provision requires that such public bodies reimburse the United States.

The bill includes a provision rescinding $4,164,000 of funds heretofore appropriated for Public Works advance planning under title V of the War Mobilization and Reconversion Act of 1944, the committee being advised by the Federal Works Agency that there would be a net balance in the amount stated above which would not be required in connection with the program.

Public Buildings Administration.—The committee has allowed $1,763,000 together with an unobligated balance estimated at $147,000 making a total of $1,910,000. This, in effect, represents a net reduction of $250,000 in the budget estimate, the reduction being applied to space survey and utilization employees in the departmental and field service, for which approximately $470,000 is available during the current fiscal year. Funds for this work were provided following the war period when space control work was essential as many shifts of activities were in progress. However, with the demand for space lessening and settling down to a normal basis, it is believed that a substantial reduction in this activity is justified.

The estimate of $10,000,000 for conducting the repair and preservation program, which has been approved by the committee, will provide funds for several hundred projects. The Public Buildings Administration is charged with the repair and maintenance of 3,739 projects comprising 5,323 buildings. These structures were obtained by a total expenditure on the part of the Government of over $900,000,000. The committee believes that the amount recommended for their repair and preservation is the minimum which should be provided.

The committee has recommended $31,140,000 for salaries and expenses in connection with the operation and maintenance of public buildings in the District of Columbia and adjacent areas. This is an increase of $1,025,000 above the 1949 appropriation, and a cut of $3,460,000 below the budget estimate. Of this reduction, $240,000 is due to the disallowance of funds for rental of space for the Economic Cooperation Administration. This agency cannot be regarded as a permanent activity and it has been the general policy to provide funds for rental services for temporary agencies from the appropriation made directly to the activity. A further reduction of $86,000 heretofore

used for the maintenance force for Building T–6 at the National Institute of Health (Bethesda) has been made in view of the statement during hearings that the operation and maintenance of the building had been taken over by the Public Health Service and that a proportionate reduction had not been made in the Public Buildings Administration budget. Nor was the committee advised in the justification submitted by this agency that funds allocated for this purpose had been diverted for another purpose. In view of this situation, the committee feels that the amount of $86,000 should be disallowed. In effecting the remainder of the reduction, the committee requests that the Public Buildings Commissioner resurvey the distribution of personnel engaged in the operation of the various public buildings in the District of Columbia with a view to more efficient utilization of their services, and that he assign personnel in such a manner that no request for supplemental funds will be required for the next fiscal year.

The bill includes $23,968,800 for the maintenance and operation of public buildings outside the District of Columbia. This is an increase of $1,748,800 over the 1949 appropriation and $2,663,200 less than the budget estimate. As in the case of the preceding item, the committee recommends that the Public Building Commissioner resurvey with a view to redistributing such personnel on a more efficient basis. Funds recommended for this purpose are intended for full-year operation and supplemental requests will not be looked upon with favor.

National Industrial Reserve.—The bill includes $12,500,000 for the continuation of this program during the fiscal year 1950. The amount recommended is an increase of $7,500,000 over the current-year appropriation which was provided on a part-year basis, and $2,500,000 less than the budget estimate. Under the provisions of the National Industrial Reserve Act of 1948 (Public Law No. 883, 80th Cong.), the Federal Works Agency is authorized and directed to accept the transfer of excess industrial properties as designated by the Secretary of Defense and to provide for the transportation, handling, care of storage, and so forth, of such property. It is estimated that properties with a total value of $400,759,000 will be transferred by January 1, 1949, and that 27 additional plants will be transferred during the fiscal year 1950. This is a new activity for which the Public Building Administration is presently building an operating staff. There will be many delays in securing the required personnel and putting the program into full operation. Also, the committee believes that the administrative staff in the District of Columbia is top-heavy and should be reduced substantially. Other delays in the program as to the taking over of plants will undoubtedly occur. The committee believes, therefore, that the amount recommended will be sufficient for all purposes during the next fiscal year.

Construction of public buildings.—The bill contains $875,000 for completion of construction of the Geophysical Institute, Alaska; $5,000,000 for the continuation of the General Accounting Office building; and $5,000,000 for a Federal courts building in the District of Columbia. These three projects are being constructed under a limit of cost heretofore approved by the Congress and the committee has approved the amount of the budget estimate in each instance.

Public Roads Administration.—The bill includes a total of $395,991,000 for the construction of Federal aid and forest highways in the United States which is $52,397,854 below the 1949 appropriation and

$27,509,000 less than the budget estimates of $423,500,000. For Federal-aid postwar highways, the committee has made a reduction of $26,509,000 in the budget estimate. The actual reduction in this item is $25,000,000 since an unobligated balance of $1,509,000 for access roads is also appropriated for this purpose. In explanation of its action in reducing this fund, the committee wishes to point out that during consideration of the 1949 bill, it was advised that the full amount of the budget estimate would be required. Testimony given during the hearings on the 1950 estimates, however, was to the effect that there would be a carry-over of approximately $41,300,000. This indicates clearly to the committee that funds are being provided at a greater rate than is essential, and, in fact, the committee was advised that there had been more delay than was anticipated in recent years between the time of allocation of funds and when such funds were actually required. Also, reductions in the cost of material and supplies should result in lower prices for road construction. In view of these conditions, the committee is of the opinion that funds recommended in the bill for this purpose will be entirely adequate.

Forest highways.—There is included in this bill for the first time an appropriation for "Forest highway construction work" authorized under section 23 of the Federal Highway Act of 1921, as amended. Funds for this purpose were heretofore provided in the agriculture appropriation bill. The funds provided are intended to be used in connection with the construction of highways through forests to connect up with Federal-aid and State primary road systems. The basic act authorized the apportionment of $25,000,000 annually for the fiscal years 1946 and 1947, and $20,000,000 for the fiscal years 1950 and 1951. Funds for this type of construction have been restricted in previous years, and the committee has, therefore, approved an appropriation of $22,500,000, a reduction of $1,000,000 in the estimate submitted in the budget.

Bureau of Community Facilities.—The committee has approved the proposal of the budget to extend the unobligated balances on June 30 of funds provided in connection with the public works advance planning program authorized under title 5 of the War Mobilization and Reconversion Act of 1944. It is estimated that $9,800,000 will be available as of June 30, 1949, and the proposed language will continue this fund until June 30, 1950. This authorization will permit the Bureau to clear up its operations which are now in progress and which cannot be completed during the present fiscal year. It is estimated that there will be nearly $10,000,000 outstanding under approximately 1,300 advances which must be handled during the fiscal year 1950. The committee has also authorized the use of $350,000 for administrative expenses connected with the program.

The bill contains $680,000 for Virgin Islands public works which is a reduction of $120,000 in the budget estimate. During hearings on the bill, the committee was advised that part of the program was to construct a hospital on the island of St. Thomas at a cost of $460,000. Subsequently the committee was advised that this work could not be performed since the Corps of Engineers had not completed the work of filling in the area where the hospital was to be constructed, the Bureau, at the same time submitting to the committee a revised list of construction projects. This revised program has been approved by the committee with the reduction set forth above applied in recogni-

tion of the fact that reduced construction costs should make possible completion of the program with the funds allowed.

The water-pollution-control program authorized under Public Law 845 of the Eightieth Congress provides for Federal assistance to States, interstate agencies, and other organizations engaged in water-pollution-abatement work. The committee was advised that present estimates of the cost of sewer treatment works in the United States which would be required to eliminate present sources of water pollution exceed $3,750,000,000. Section 8 (e) of the act referred to authorizes an appropriation of $1,000,000 annually for 5 years to the Federal Works Administrator for the purpose of making grants to States and other agencies engaged in this work. Section 8 (e) of the act authorizes an appropriation of not to exceed $500,000 annually for administrative expenses in connectin with the program. In view of the fact that this new program is not in full swing and that there will undoubtedly be many delays in establishing an administrative staff and meeting other requirements before grants can be made, the committee has effected a reduction of $100,000 in the estimate of $500,000 for this purpose. It has made a corresponding reduction in funds requested for administrative expenses.

GENERAL ACCOUNTING OFFICE

The committee has included in the bill a total of $33,166,800 for all expenses of this office. This sum is $674,200 less than the 1949 appropriation, and $3,685,200 below the budget figure. The committee has been reluctant to require a reduction in the funds for the operations of this agency which has performed outstanding service in the field of accounting and has been a major factor in establishing and maintaining the orderly and honest expenditure of Government funds. However, consideration must be given to the fact that in 1940, appropriations for the general activities of this Office amounted to $5,306,540. The budget estimate for the fiscal year 1950 is over six times the amount available during the fiscal year 1940. This amount is not in line with the comparable total of appropriations available for expenditure during the fiscal year 1950. Total appropriations for the fiscal year 1940 and prior years amounted to $11,447,634,000 whereas new appropriations requested for the fiscal year 1950 amount to $38,536,000,000, or a sum about 3.5 times the 1940 appropriation. It will be seen, therefore, that the relation of funds requested by the General Accounting Office for the fiscal year 1950 is out of proportion to the comparable total of Government appropriations for the same years. The committee is of the opinion that the amount recommended in the bill is a very fair sum in relation to the over-all appropriations for the periods mentioned above, and believes that the General Accounting Office will continue to do a creditable job with the amount recommended.

HOUSING AND HOME FINANCE AGENCY

The major housing activities of the Federal Government were permanently grouped in the Housing and Home Finance Agency, under the direction of an Administrator, by Reorganization Plan No. 3 of 1947. The Agency includes three major constituents:

Home Loan Bank Board including:
Federal Savings and Loan Insurance Corporation.
Home Owners' Loan Corporation.
Federal Housing Administration.
Public Housing Administration.

Office of the Administrator.—The budget estimate submitted for this office was $1,600,000. The committee has included in the bill $1,200,000, which is an increase of $120,000 over 1949 appropriations, including Pay Act requirements. A moderate increase over the current appropriation is essential to provide funds on a full year basis for a new program relating to standardized building codes and to promote modular coordination for home construction authorized by the Housing Act of 1948.

The committee is of the opinion that this office is overstaffed, that a sizable reduction in personnel should be effected, and intends that funds allowed for the new activities referred to above shall not be diverted to provide administrative and coordinating personnel. The committee feels that Mr. Foley is an outstanding administrator, has done a fine job, and that he will continue to do a good job with less personnel than is presently provided.

Home Loan Bank Board.—The Home Loan Bank Board, a bipartisan three-man board created by Reorganization Plan No. 3 of 1947, formulates policies and supervises operations of the Federal Home Loan Bank System, the Federal Savings and Loan Insurance Corporation, and the Home Owners' Loan Corporation. Budget estimates for fiscal year 1950 are submitted separately for the Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and the Home Owners' Loan Corporation.

The budget estimate considered for the administrative expenses of the Board during the next fiscal year was $450,000. The committee has allowed $427,500 for this purpose. Funds for use in this connection are provided by assessments against the 11 Federal home loan banks.

During hearings on the bill the committee investigated the delay in examining activities of the Board, about which it had expressed considerable concern last year, at which time there was developing a steady increase in the backlog of past-due examinations. While the situation has not been completely corrected some improvement has been made in that by July 1, 1949, examinations will have been made of all banks within a 14-month period, and by July 1950 examinations will be on a 12-month basis. The committee requests that every effort be made to carry this program into effect.

Federal Savings and Loan Insurance Corporation.—The Federal Savings and Loan Insurance Corporation was created in 1934 under title IV of the National Housing Act. The Corporation insures up to $5,000 for each account the savings of investors in all Federal savings and loan associations and in other institutions of the savings-and-loan type which are eligible and approved for insurance.

As of June 30, 1948, there were 2,566 insured institutions with assets of over $9,000,000,000.

Administrative expenses of the Corporation are paid from corporate funds received from insurance premiums, admission fees, and premiums on investments.

The budget submission proposed an authorization for the use of $650,000 from corporate funds for administrative expenses during the fiscal year 1950, and the committee has allowed $617,500 for this purpose.

Home Owners' Loan Corporation.—The Home Owners' Loan Corporation is a wholly owned Government corporation, organized under the Home Owners' Loan Act of 1933, as amended, as an emergency instrumentality to refinance the mortgages of distressed urban home owners. Since the Corporation's lending authority expired on June 12, 1936, the efforts of the Corporation have been devoted to the orderly liquidation of its accounts and other assets.

The following tabulation gives a clear and interesting picture of the over-all situation as to liquidation for the fiscal years 1948, 1949, and 1950:

	Progress of HOLC liquidation	
	Dollar amount	Percentage
Actual June 30, 1948	$3,071,000,000	87.9
Estimated June 30, 1949	3,179,230,000	91.0
Estimated June 30, 1950	3,262,954,000	93.4

The committee was advised, also, that the Corporation expects to eliminate its deficit during the current fiscal year, and estimates a surplus of 10.8 million dollars at the end of the fiscal year 1950.

During hearings on this item members of the committee advised the Chairman of the Board that it was their recommendation that the Board explore the subject of selling remaining HOLC papers to whatever financial institution was interested in buying them and report back to the committee as to its findings. (See p. 1025 of pt. II, of hearings). The Chairman of the Board has agreed to explore the situation and report back as requested. It is the hope of the committee that this procedure will permit early liquidation which, otherwise, may continue until 1961.

The bill contains an authorization for the use of $1,823,250 from Corporation funds for administrative expenses, which is a reduction of $321,750 in the budget estimate.

Federal Housing Administration.—The Federal Housing Administration was created by the National Housing Act approved June 27, 1934. Although the Federal Housing Administration does not have a corporate form of organization, it was made subject to the provisions of the Government Corporation Control Act by the Housing Act of 1948 (Public Law No. 901, 80th Cong.).

The purposes of the Federal Housing Administration are to stabilize the mortgage market, to improve home-financing practices, and to improve housing standards and conditions through a system of insurance of loans to finance the production, purchase, modernization, and repair of residential structures. As of June 30, 1948, a total of 9.9 billion dollars of mortgages and 2.9 billion dollars of property-improvement loans had been insured.

Since the passage of the Housing Act of 1948, the Federal Housing Administration is responsible for eight insurance programs, as well as some insurance of loans for refinancing of existing mortgages under section 603 which, insofar as new business is concerned, has expired.

As of December 31, 1948, pertinent data on the Federal Housing Administration operations were as follows:

	Total authorization	Estimated insurance outstanding	Operating reserves, capita and surplus
Title I		$880,847,076	$28,742,988
Title II	$5,000,000,000	2,922,897,290	127,166,950
Title VI	[1] 5,750,000,000	3,472,597,350	41,339,975
Title VII	1,000,000,000		1,000,000

[1] Plus $400,000,000 which may be authorized by President; also $750,000,000 for sec. 610.

The direct obligations of this agency set forth by activities and titles and sections including the Budget estimate for 1950, is set forth below.

Obligation by activities—direct obligations	Actual, 1948	Estimate, 1949	Estimate, 1950
1. Title I activities	$1,413,240	$1,890,500	$1,048,700
2. Sec. 203 activities	6,957,197	11,464,600	15,706,180
3. Sec. 207 activities	87,051	395,200	866,900
4. Title VI activities	11,516,656	5,149,000	3,035,400
5. Title VII activities		100,700	219,300
6. Pay increase, comparable to Public Law 900		1,430,000	1,623,520
Total direct obligations	19,974,144	20,430,000	22,500,000

The committee has included in the bill authorization for the use of $21,860,750 from funds available to this agency as a result of its operation for administrative expenses in the fiscal year 1950. This is a reduction of $639,250 in the estimate of $22,500,000, the cut being applied entirely to departmental services and expenses in the District of Columbia. The ratio of the number of employees engaged in personnel work to the whole number is unfavorable and will have to be adjusted to comply with a limitation placed in the bill on this subject.

Public Housing Administration.—The Public Housing Administration is one of the constituents of the Housing and Home Finance Agency established by Reorganization Plan No. 3 of 1947. Its responsibilities cover housing in which the Government has a direct financial interest either through administration of Federal aid to local public bodies or as the owner of Government-built housing.

The programs and functions for which the Public Housing Administration is responsible are of two main kinds:

(1) A permanent program of financial aid to local governments in the provision of low-rent housing for low-income families, established by the United States Housing Act of 1937;

(2) Certain temporary emergency and liquidating public housing programs. These include (*a*) the public war housing program, (*b*) homes conversion program, (*c*) veterans' reuse housing program, and (*d*) subsistence homesteads and greentowns program.

The PHA is operated as a single organization and a single administrative expense estimate is submitted for all of its programs.

The limitation on administrative expenses for the over-all organization as proposed by the budget was $8,750,000, with a further limitation on the portion available under the United States Housing Act program of $2,564,000. The bill includes an over-all limitation of

$8,054,600, with a limitation of $2,329,550 on that portion of the authorization available for the United States Housing Act program. The committee has distributed the reduction so that a cut of 10 percent shall apply to funds to be expended in the District of Columbia, and a reduction of 5 percent to funds to be used in the field.

The committee, in removing the limitation on the number of persons who may be employed by this activity in and above grades CAF–11 and P–4, cautions the Public Housing Administration to exercise restraint in the enlargement of the number of employees in these groups. The committee will examine with care into any increase in the present ratio and requests the agency to submit a report to it by January 5, 1950, showing in detail the increase in the number of employees in these higher grades resulting from the lifting of the present limitation.

The committee has eliminated a legislative provision which would have permitted not to exceed $15,000,000 to be carried until the end of the fiscal year 1950 in the reserve account established by section 303 (c) of the act of October 14, 1940, as amended, on the strength of testimony that there was no certainty that there would be need for this reserve during the next fiscal year.

The bill includes an appropriation of $5,000,000 for annual contributions to public housing agencies under the United States Housing Act of 1937, which is a reduction of $700,000 in the estimate, and $160,000 more than the current appropriation. Indications are that this sum will be adequate since actual expenditures were only $3,431,246 in 1948. However, an increase is required during 1950 owing to the program of replacing high-income families with those in the lower brackets, which will automatically require a larger contribution.

Public war housing.—The public war housing program authorized under title I of the Lanham Act is in the liquidation stage. Pending ultimate disposition of this housing, veterans and their families receive preference on all dwellings becoming available.

This housing was constructed with funds appropriated under the act of October 14, 1940, at a cost of approximately 1.7 billion dollars. Pending disposal, which is the primary purpose of the program, this housing is operated from rental and other project income.

The total volume of this program in terms of the number of units for the three fiscal years covered by the budget is as follows:

End of fiscal year—	*Number of units*
1948 (actual)	359, 393
1949 (estimate)	311, 393
1950 (estimate)	244, 893

The estimated project operating income and expense for the fiscal years 1949 and 1950 are as follows:

	Fiscal year 1949	Fiscal year 1950
Operating income	$61, 243, 800	$48, 820, 200
Operating expenses (including administrative but before losses and charge-offs)	34, 390, 800	26, 692, 600
Net operating income before losses and charge-offs	26, 853, 000	22, 127, 600

Homes conversion program.—This program is being liquidated as rapidly as possible, and will be brought to the final stages of liquidation by the end of the fiscal year 1950. The volume of the program in terms of units and properties is as follows:

	1948, actual	1949, estimate	1950, estimate
Number of active units at the end of each year	29,037	18,317	5,887
Number of active properties at end of each year	4,590	2,890	790

Liquidation of the program will be further accelerated in fiscal year 1950 by the expiration of the leasehold period on 903 properties. By the end of fiscal year 1950 liquidation of approximately 91 percent of the original program is anticipated. The data are summarized below:

	1948, actual	1949, estimate	1950, estimate
Number of properties terminated during year:			
Expiration of leasehold period			903
Cancellation prior to lease expiration	1,666	1,700	1,197
Proceeds of disposition	$2,768,748	$2,006,000	$1,238,000

Veterans reuse housing program.—To meet the special emergency needs of veterans, servicemen and their families after the war, title V of the Lanham Act authorized the reuse of surplus Government-owned temporary structures to provide emergency housing for these distressed persons. Approximately $455,000,000 was allotted to the Public Housing Administration to cover the costs of relocating and converting the reused buildings, and about 181,321 accommodations were provided with these Federal funds.

The following table summarizes significant data as to the budget program as presented to the committee:

	Actual, 1948	Estimate, 1949	Estimate, 1950
Number of federally financed accommodations at end of each year	181,321	97,551	97,551
Transfers to educational institutions		83,770	
Total income	$14,792,921	$12,174,400	$10,182,400

The McGregor Act (62 Stat. 1052) authorized colleges and universities operating veterans' projects on lands owned or controlled by them, to acquire complete ownership and control without monetary consideration. Requests for transfers were required to be made by October 26, 1948.

Of 135,473 eligible accommodations, it is estimated that 121,930 will be transferred to educational institutions. The latter figure includes 38,160 accommodations which were erected without the use of Federal funds.

The committee discussed with representatives of the Public Housing Administration the desirability of authorizing, under certain conditions, the transfer of this type of housing to any State, county, town,

or other public body requesting such transfer, and was advised that it would be feasible to extend the general provisions of the McGregor Act to this group. The committee feels that it would be advantageous to both the local body and the Federal Government if the law were extended, and it has included a provision in the bill which will accomplish this purpose.

United States Housing Act—The principal purpose of this program is to assist locally owned low-rent public housing as authorized by the United States Housing Act of 1937 (42 U. S. C. 1401). The assistance takes two forms: (*a*) Capital loans to local public housing agencies to help them develop low-rent projects; (*b*) a limited annual cash contribution or subsidy to assist in the operation of completed projects. The size of the program covered by the budget is reflected in the following summary:

	1948, actual	1949, estimate	1950, estimate
Active housing units in the program at the end of each fiscal year:			
Locally owned	150,241	151,041	151,041
Federally owned	41,574	41,574	41,074
Total	191,815	192,615	192,115

Under the United States Housing Act of 1937 the Public Housing Administration is authorized to borrow not to exceed $800,000,000 to assist local government agencies in financing low-rent projects. Since this is not a revolving authorization, the available authority is reduced by the amount of repayments of earlier borrowings. The status of the authorization as of June 30, 1948, was as follows:

Total borrowing authority		$800,000,000
Less:		
Permanent loans repaid	$74,856,000	
Outstanding notes payable to U. S. Treasury	362,000,000	
		436,856,000
Unused borrowing authority available		363,144,000
Outstanding commitments		353,003,606
Uncommitted balance of borrowing authorization		10,140,394

Subsistence homesteads and green-towns program.—The subsistence-homesteads and green-towns projects were developed by the Farm Security Administration out of funds appropriated by the National Industrial Recovery Act of 1933 (40 U. S. C. 408) and the Emergency Relief Appropriation Act of 1935 (49 Stat. 115).

The present status of the program is as follows:

	Actual, 1948	Estimate, 1949	Estimate, 1950
Dwelling units disposed of during year	541	805	641
Dwelling units in program at end of each fiscal year	2,333	1,528	887
Book value of property sold	$4,033,130	$10,423,577	$9,037,981

The subsistence homesteads portion of the program is now substantially liquidated. The major activity remaining is disposal of the three green-towns projects. The number of dwelling units, locations, and scheduled sales dates are as follows:

	Number of units	Estimated date of sale
Greenhills, Ohio	737	June 1949.
Greendale, Wis	635	December 1949.
Greenbelt, Md	878	Fiscal year 1951.

INLAND WATERWAYS CORPORATION

The Inland Waterways Corporation was created by act of Congress, June 3, 1924. It is administered under the supervision and direction of the Secretary of Commerce. The Corporation was operated under the direction and supervision of the Secretary of War until its transfer to the Department of Commerce in 1939. The Corporation operates the most complete-common carrier service by barge offered on the Mississippi, Illinois, Missouri, and Warrior Rivers. All types of freight except livestock and perishables are handled on 3,300 miles of inland rivers with 24 boats and 268 barges. The Corporation's original authorized stock of $5,000,000 was increased in 1928 to $15,000,000. Of this amount, $14,000,000 has been appropriated and the remaining $1,000,000 is requested in the 1950 budget estimates. Officials of the Corporation have testified that the commercial value of the property is not in excess of $1,500,000. Owing to the poor condition of equipment and the type of freight handled, the Commission has been operating at a deficiency and is presently in a precarious financial condition.

Under operations conducted during the fiscal year 1949, it is expected that a loss of $1,606,500 will be suffered and a further loss of $2,315,500 is anticipated in the fiscal year 1950. Revenues for the fiscal year 1949 and 1950 are estimated at $9,113,800 and $9,096,-500, respectively. Correspondingly, expenses in the fiscal years 1949 and 1950 are estimated at $10,720,300 and $11,412,000, respectively.

During hearings on the bill, the committee was advised that there was no hope for placing this operation on a self-supporting basis unless the Government undertook to completely modernize or replace practically all of the equipment now in operation. It is estimated that the cost of such modernization would approximate 15 to 20 million dollars and that profits could be expected to return from 10 to 20 percent on the investment. The committee was further advised that unless Congress provides relief in one form or another, the line will be without means of operation at the close of the fiscal year 1950. The committee is also advised that bills have been introduced in the present Congress providing for an increase in capital stock of $18,000,000 and contemplating other improvements. The committee urges that prompt consideration be given to these proposals by the appropriate committees of the Congress and that in the event this course is not desirable provision be made for liquidation of the Corporation.

The committee has included in the bill the estimate of $1,000,000 for the purchase of capital stock of the Corporation and has also approved the budget estimate for administrative expenses in the sum of $522,000, a reduction of $20,000 being applied to the pension and relief item for group insurance which the General Accounting Office has held cannot be expended for that purpose.

INTERSTATE COMMERCE COMMISSION

The committee considered estimates totaling $10,954,000 for the Interstate Commerce Commission which is an increase of $59,683 above the 1949 appropriation, excluding 1949 Pay Act requirements, and $376,100 less than the budget estimates.

General expenses.—The bill contains $9,321,000 for this purpose which is an increase of $189,683 over the current appropriation and $391,100 less than the budget estimate. The committee has recommended a reduction of $250,000 in connection with the work of the Bureau of Valuation, testimony being given to the effect that the work performed in this connection could be deferred with less harm and inconvenience than any other activity carried on by the Commission. The committee has also eliminated $376,100 contained in the estimate for the purpose of providing an increase in the Bureau of Service in connection with the proposed transfer to that Bureau of 49 employees now paid out of the appropriation for the Office of Defense Transportation. This latter function was established during the war when there was an urgent demand for supervision of the operations of the railroads in connection with the adequate distribution and use of freight cars for war purposes. That need has now passed and the committee is of the opinion that if this function is ever to be discontinued, it should be eliminated from the bill at the present time. Like many other war services which have once been established, this project has been difficult to eliminate. The committee is convinced that under existing conditions this function can be abolished without serious inconvenience.

The committee received convincing testimony both from Commission personnel and other persons interested in the subject as to the urgent need for additional personnel to expedite the work of the Bureau of Motor Carriers. This work has fallen behind considerably in recent years and the committee has included an additional $200,000 for this purpose provided specifically in the bill that not exceeding $3,556,039 shall be available for this Bureau. It is believed that the additional funds will permit this work to be brought up to date within a period of 6 months.

The committee has also inserted in the bill a provision earmarking $35,000 for the purpose of bringing up to date valuations of pipe lines which were suspended in 1944 because of lack of funds. Some preliminary work has been performed already in this connection including requests that carriers furnish certain data. The funds provided in the bill for additional work in this connection are for the purpose of enabling the Commission to assemble and evaluate the data and have the information available for use by the end of the present calendar year.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The National Advisory Committee for Aeronautics is the Government agency charged with the responsibility for scientific aeronautical research. It was established by the Congress in 1915 to:

> Supervise and direct the scientific study of the problems of flight with a view to their practical solution.

The agency has its central office in Washington and laboratories at Langley Field, Va., Moffett Field in California, and the Lewis Flight Propulsion Laboratory near Cleveland, Ohio. During hearings on the estimates, the committee made inquiry as to the legislative background of this agency. Questioning by the committee developed the information that no substantial amendment to the basic law of 1915 referred to above has ever been made, nor have any substantial hearings been held recently by any legislative committee as to its operations. The committee was advised that the amendment of May 25, 1948, made no substantial change in the 1915 act.

The committee is of the opinion that an agency which has grown to the size and importance attained by NACA should have broad, basic legislation authorizing all functions, including authorization for the construction of specific projects. This latter situation has not existed in connection with NACA. The committee was informed that all authorizations for construction have been in the form of appropriations recommended by the Appropriations Committee and approved by the Congress without prior consideration by the appropriate legislative committee. In view of this situation, the committee recommends that the legislative committee having jurisdiction over this agency (Armed Services) should completely review the legislative background of NACA with a view to enacting a comprehensive basic law authorizing the various activities and construction programs which it regards as necessary.

The committee believes that the importance of this agency, which is the backbone of all future development in the field of national defense as far as aeronautics is concerned, justifies the appointment of a full-time Chairman at $15,000 per annum to be appointed by the President, by and with the advice and consent of the Senate. The term of office would be 4 years. Pending action by the legislative committee, the committee has inserted in the bill a provision which will permit the President to make this appointment.

Salaries and expenses.—The bill includes a total of $38,710,000 for salaries and expenses which is an increase of $900,000 over the 1949 appropriation and a reduction of $9,990,000 in the budget figure. The effect of the reduction recommended by the committee will be to allow funds on substantially the same basis as is provided for the current fiscal year. In this connection, the committee has denied the proposed increase of $986,040 requested for the reclassification of professional employees of NACA. The number of personnel provided NACA in recent years has increased tremendously and the committee is of the opinion that its operations have now reached a leveling-off place and that employees required in connection with the operation of newly constructed projects should be secured through a redistribution of personnel from less urgent activities.

Construction.—The committee considered budget estimates amounting to $15,000,000 in cash and an additional $21,500,000 contract

authorization for use in construction and equipment. The committee has included in the bill a cash appropriation of $10,000,000, of which $7,277,200 is to liquidate prior-year authorizations, and has also included authority to enter into additional contracts in an amount not in excess of $10,000,000. The reduction in the cash appropriation recommended by the committee will leave $2,722,800 available to start a few of the most important projects requested in the estimates for 1950. As in the case of the request for salaries and expenses, the committee is of the opinion that the construction activities of NACA have reached a leveling-off point and that future appropriations for construction should be made as a result of previous authorizations originating in the appropriate legislative committees.

NATIONAL ARCHIVES

The bill includes an appropriation of $1,350,000 for this activity which is $8,055 in excess of the 1949 appropriation and $98,000 less than the budget estimate. While the reduction recommended by the committee will enforce rigid economy in this activity, the committee is of the opinion that it can and will operate efficiently with the amount recommended in the bill. The committee has been much interested in the effective work which the National Archives has been performing in recent years in connection with the processing and accessioning of the legislative records of the House of Representatives. It is recommended that this work be continued at a reasonable rate.

NATIONAL CAPITAL HOUSING AUTHORITY

The bill contains $31,410 for the maintenance and operation of properties coming under the jurisdiction of title I of the District of Columbia Alley-Dwelling Act. While the committee has required a reduction of $3,490 in the estimates of the Budget Bureau, it should be pointed out that the amount contained in the bill is $8,010 in excess of the current appropriation. This amount should be adequate to enable the authority to make necessary repairs which, it advised the committee, were essential during the next fiscal year.

NATIONAL CAPITAL PARK AND PLANNING COMMISSION

The bill includes $695,000 for the National Capital Park and Planning Commission which is an increase of $295,000 above the current year appropriation and $253,000 less than the budget estimate. The bill contains $498,000 for the purpose of acquiring land in nearby Maryland for park facilities for which a total of $750,000 was requested. Also, the bill contains $197,000 for the acquisition of sites and playgrounds and recreation centers in the District of Columbia for which $198,000 was requested. The sums provided, in most instances, are urgently required to buy land in areas which are being developed rapidly and which must be acquired in the near future unless additional expense, due to increasing land values, is to be incurred.

The committee has disallowed all but $20,000 of the estimate of $73,700 for District of Columbia redevelopment project planning. The $20,000 allowed is for printing and binding the report recently prepared, and the committee has deferred providing additional funds until it has had an opportunity to study the report.

PHILIPPINE WAR DAMAGE COMMISSION

The Philippine War Damage Commission, established pursuant to the provisions of the Philippine Rehabilitation Act, 1946, as amended, is authorized to administer the provisions of title I of the act relating to the adjudication and payment of private-property claims and war damage for which purpose a total of $184,800,000 is carried in the bill. This amount is $89,800,000 in excess of the 1949 appropriation and $200,000 less than the budget recommendation, the latter reduction being applied in connection with the funds made available for administrative expenses. Of the amount contained in the bill, $20,000,000 is made immediately available in order that the Commission may expedite action on the payment of claims which have been approved. Title I of the act authorizes a total appropriation of $400,000,000 for the payment of private-property claims. Of this sum, $175,000,000 has been appropriated. Including the amount contained in the pending bill, a total of $359,800,000 will have been provided, leaving a total of $40,200,000 to be appropriated during the fiscal year 1951.

The committee was advised that the Commission will complete its work on or before April 30, 1951, the termination date established by the Congress. Information was supplied to the effect that at the close of the statutory filing period, February 29, 1948, the Commission had received 1,256,000 claims, exceeding the number originally anticipated by nearly 40 percent. On December 31, 1948, the Commission had liquidated 507,000 claims and had paid into the Philippine economy, $95,600,000.

The Commission further reported that it expects to conclude its final liquidating payments by December 31, 1950, and that thereafter it will dispose of property and return its American personnel to the United States prior to April 30, 1951, the termination date fixed by law.

SECURITIES AND EXCHANGE COMMISSION

The bill includes an appropriation of $5,750,000 for this Commission which is a decrease of $76,140 under the 1949 appropriation and $220,000 less than the budget estimate. During hearings on the bill, the Committee ascertained that the number of employees on the Commission payroll was 68 positions short of the amount authorized by the 1949 appropriation. This condition if projected into fiscal year 1950 would indicate that the Commission will be able to absorb some reduction through lapse in salaries. Also, the Commission is overstaffed in the District of Columbia, and substantial savings should be effected in this connection. It is the opinion of the committee that through such savings and other economies, the Commission will be able to perform its necessary functions adequately and efficiently during the next fiscal year.

SELECTIVE SERVICE SYSTEM

The committee has included in the bill a total of $9,000,000 for the activities to be performed by the Selective Service System in connection with title I of the Selective Service Act of 1948. This sum is $16,000,000 less than the 1949 appropriation, and $7,700,000 below

the budget estimate. While the amount contained in the bill represents a drastic reduction below current-year appropriations, it should be pointed out that during the next fiscal year operations in connection with drafting of additional personnel for the armed forces will be at a virtual standstill, the Army having announced that there would be no draft calls during the fiscal year 1950. This situation should enable the local boards which are allocated the major portion of the appropriation under the estimates submitted by the budget, to operate on a part-time basis and at a minimum of expense. The committee is of the opinion that the amount of $10,311,568 proposed by the budget for this function can be reduced drastically. Other savings should be applied in connection with funds requested for State headquarters and the committee is of the opinion that substantial savings can also be effected in the national headquarters office, including funds for the expenses of travel and other contractual services which are regarded as excessive.

SMITHSONIAN INSTITUTION

Salaries and expenses.—The committee has included in the bill the total budget estimate of $2,300,000 for this purpose. This sum will provide additional funds for Pay Act increases and a modest increase over the current-year appropriation. Funds for this agency have been held to a minimum for many years, and it is believed that the slight increase recommended is entirely justified.

National Gallery of Art.—In recommending $1,057,700 for this activity, the committee has provided an increase of $91,700 over the current-year appropriation and a reduction of $30,000 in the budget estimate. The committee feels that this activity has been provided for quite adequately in recent years and that it should be able to function efficiently with funds recommended in the bill.

TARIFF COMMISSION

The bill includes $1,200,000 for the Tariff Commission, which is the amount of the current appropriation and $150,000 less than the budget recommendation. In effect, the budget estimate for 1950 proposed an actual increase of $79,700 in excess of 1949 requirements, including Pay Act funds. In recommending a reduction of $150,000, the committee has denied the proposed increase and has also required this agency to absorb Pay Act funds necessary during the fiscal year 1950. This decrease is in line with the reductions made in other activities and the Commission should be able to adjust its work to permit it to operate efficiently within the funds available.

TENNESSEE VALLEY AUTHORITY

The Tennessee Valley Authority is a corporation created by act of Congress on May 18, 1933 (16 U. S. C. 831). It was established—

to improve the navigability and to provide for the flood control of the Tennessee River; to provide for reforestation and the proper use of marginal lands in the Tennessee Valley; to provide for the agricultural and industrial development of said valley; to provide for the national defense by the creation of a corporation for the operation of Government properties at and near Muscle Shoals in the State of Alabama, and for other purposes.

Through June 30, 1948, the Congress had appropriated $736,223,270 for use by the Tennessee Valley Authority, of which $444,817 was unobligated as of that date. For the 1949 fiscal year Congress has appropriated an additional $27,389,061, and a supplemental appropriation of $3,450,000 is estimated. All funds appropriated in fiscal year 1949, together with the balance from prior appropriations, will be obligated by June 30, 1949. The proposed 1950 budget program involves a request for $56,400,000 of appropriated funds and $78,766,000 of corporate funds made available from the sale of power, fertilizer products, and other sources. The total of $135,175,000 to be applied under the 1950 program consists of $69,116,000 for acquisition of assets, $60,294,000 for operating expenses, $5,500,000 for retirement of borrowings and payments to the United States Treasury, and $265,000 to increase working capital.

Of the total of $56,400,000 requested in the estimates, the committee has provided $49,359,150, a reduction of $7,040,850 in the budget figure. The cut consists of $6,876,450 from the construction program and $164,400 in administrative expense.

The denial of 15 percent of funds requested for the construction program is in line with the formula set forth in detail in the report on the recently passed civil-function appropriation bill. It is hoped construction costs will permit completion of the 1950 program with funds provided. However, the committee wishes to make it clear that the entire construction program as presented in the budget has been approved and that, in the event construction costs do not continue to decline, TVA will be permitted to submit a deficiency request for additional funds and given full opportunity to justify the need therefor.

In applying a total reduction of $411,000 in the estimate of $4,110,000 for administrative expenses, the committee has made a proportionate reduction ($164,400) from the direct appropriation request.

There is one relatively minor item upon which the five subcommittee members could not fully agree, but to which we call the attention of the Congress. This has to do with the technical freedom of expenditures from the funds of the TVA. The funds of that agency are, to all practical purposes, a revolving fund, and Mr. Clapp himself, in reply to a question, said, "I think it can fairly be called a revolving fund."

The Subcommittee on Independent Offices has, in previous years, taken a somewhat reluctant view of revolving funds, in budgeting for other agencies. TVA has obviously reported its expenditures in detail, and asked for advance approval of them. Yet in fact, TVA takes the money derived from the sale of power, and the money derived from recreational and other leases, and even the money derived from the sale of capital assets, and puts these moneys into a fund with the Treasury and from which, under the TVA Act giving it authority to operate, it could make expenditures without prior approval of Congress

The General Accounting Office, in its report for fiscal years 1946 and 1947 (and we understand repeated in the coming report for 1948)—the former in House Document 748, Eightieth Congress—after stating that the accounts of TVA were in good order, made certain recommendations to give the Congress a closer control over the operations of TVA, particularly those not related to the power

program; to provide that all costs to the Government relating to the power program be maintained as separate items on its books; to insure the orderly reduction of the Government's power investment; to provide for borrowing power in emergencies, and to make certain permissive administrative changes.

These recommendations specifically provide for a closer type of control by the Congress over the expenditures of TVA, particularly those expenditures for new power-producing facilities, the definition of which has always been considered a legislative function. This is important, as the Members of Congress will see, from the standpoint of the return of funds to the United States Treasury. If "major power producing" is not defined clearly by the Congress, TVA could in theory, and in practice if conditions should change, use all the proceeds from various sources, under section 26 of its act, for construction and for other purposes contemplated under the act, except as provided in the Government Corporations Appropriation Act of 1948. The TVA Act provides that the power operations of the Authority shall be self-supporting and self-liquidating.

The fact that the administrators of TVA to date have not abused the broad privileges of the act, is to their great credit. With no prejudice whatever to present or past administrators we refer this situation to the proper legislative committee.

UNITED STATES MARITIME COMMISSION

Salaries and expenses.—The committee recommends $62,380,424 for this Commission, which is a reduction of $9,760,966 below the budget estimate. The estimates also included a contract authorization request in the sum of $82,500,000, and the committee has included in the bill an authorization of $70,125,000 for this purpose. The functions carried on under this heading, together with the budget estimates and amounts recommended by the committee are set forth in the following tabulation:

Salaries and expenses, U. S. Maritime Commission

Function	Budget estimate	Committee recommendation	Reduction
General administrative expenses	$10,879,000	[1] $8,950,142	−$1,928,858
Ship construction and betterments	[2] 29,500,000	[3] 26,875,000	−2,625,000
Maintenance of shipyard facilities	482,000	409,700	−72,300
Warehouse operating expenses	543,000	461,550	−81,450
Operating-differential subsidies	21,433,390	18,218,382	−3,215,008
Reserve fleet expense	8,253,000	6,534,800	−1,718,200
Maintenance and operation of terminals	601,000	510,850	−90,150
Reserve for claims and miscellaneous expenses	450,000	420,000	−30,000
Total	72,141,390	62,380,424	−9,760,966

[1] And $586,648 of the unobligated balance in the Federal ship mortgage insurance fund, revolving fund.
[2] And $82,500,000 contract authorization.
[3] And $70,125,000 contract authorization; and $104,000,000 prior funds and contract authorization continued available until Sept. 30, 1949.

Administrative expenses.—The bill includes $8,950,142 together with an unobligated balance of $586,648 making a total of $9,536,790 available for this purpose. This is an actual reduction of $1,342,210 under the budget estimate. The committee has specifically disallowed

$68,000 in connection with employees engaged on the work of auditing voyage accounts. The committee has also effected a reduction of $237,900 in connection with the estimate for salaries and other expenses of 111 employees in coast director's offices. It is the opinion of the committee that much of the work performed in these offices is not essential and that such part of it as the Commission may regard as necessary should be transferred to other offices within funds available. In providing funds for approximately one-half of the present staff, the committee is permitting this work to continue into a portion of the next fiscal year and until plans can be made for liquidation or transfer to other offices. The committee is also of the opinion that many of the other divisions in this agency are greatly overstaffed and it is supported in its stand by the recently published report of the Senate Committee on Expenditures which recommended that appropriations for this function be reduced approximately 20 percent during the next fiscal year. Page (v) of this report contains the following comment in this connection:

> A reasonable estimate of the savings which should result is about 20 percent of the administrative expenses of the agency, or about $2,000,000 a year.

Work in connection with Maritime Commission's audit of voyage accounting submitted by agents under various forms of service agreements has been at a practical standstill since June 30, 1947, except in isolated cases. Approximately 83,000 of these voyage accounts had been recorded by agents of the Commission as of March 31, 1948. Such accounts involved vessel operating revenues of approximately $5,500,000,000 and vessel operating expenses of somewhat under $5,000,000,000. As of that date, the administrative audit had been completed on less than one-half of the accounts submitted by agents of the Commission. The Commission advises that agreements under which vessels have been operated will all be terminated by March 31, 1949.

During hearings on the current bill, the committee made inquiry of the Comptroller as to whether the General Accounting Office could take over the complete audit of these accounts, and was advised that due to the statutory requirement for an administrative audit of accounts prior to their submission to the General Accounting Office (31 U. S. C. 75) he could not approve elimination of the administrative audit.

The committee recognizes that it normally would be the responsibility of the Maritime Commission to make an administrative audit of accounts submitted by its agents covering receipts and disbursements on behalf of the Commission and that the independent audit of General Accounting Office would then be made in the light of the discharge by the Commission of its administrative responsibilities and the scope and effectiveness of the administrative audit. As to the backlog of voyage accounts, however, the committee feels that in view of the exceptional circumstances the interests of the Government will be adequately protected by the General Accounting Office audit without requiring a detailed administrative audit by the Maritime Commission. Therefore, in the interest of economy, the committee has added a proviso to the administrative expense paragraph in the bill to authorize the Commission to dispense with the administrative audit of agents' accounts covering voyages beginning prior to April

1, 1949. It is contemplated that the Commission will continue to receive, record, and file the accounts involved, but will turn them over to the General Accounting Office auditors without a complete audit.

Ship construction and betterments.—The committee has approved $26,875,000 together with a contract authorization of $70,125,000 for this purpose. This is a reduction below the budget estimates of $2,625,000 in the cash request and $12,375,000 less than the contract authorization. The committee has reduced funds and contract authorization for new construction by 15 percent because of the general decline in construction costs as reported to the committee during hearings on the bill. The construction work proposed in connection with this bill is set forth at page 543 of part 2 of the printed hearings.

The committee has also inserted a provision in the bill extending the total of $104,000,000 of funds and contract authorization contained in the 1949 act for the 1949 construction program. The committee was advised that in all probability there would be a delay in obligating a major portion of the funds and authorization provided for fiscal year 1949 and that it was desirable to continue the availability of the entire authorization until September 30, 1949. The committee has continued available during the fiscal year 1950 the funds and contract authorization for 1949, and also has made available, funds and contract authorization for the fiscal year 1950, for use in acquisition and completion of the vessels *Mariposa* and *Monterey* or either of them. This authority was provided in the 1949 act but it has not yet been made use of. In continuing this provision, the committee wishes to make it clear that action taken is left to the discretion of the Commissioners, and that in acquiring the *Monterey* or the *Mariposa* or both from Oceanic and in their sale to another United States-flag operator, it is to be understood that the Commission may resell such ships on mortgage terms or may contribute a construction differential subsidy to the cost of improvements to the vessels or both.

In connection with the continuation of funds and contract authorization for the 1949 program the committee points out that very little of the program has been awarded contractors and that most of it will not be obligated until sometime in the fiscal year 1950. In view of this the committee expects the Maritime Commission to effect savings of approximately $15,000,000, due to reduced construction costs.

Operating. differential subsidies.—The amount provided in the bill of $18,218,382 is $1,526,607 in excess of the current year appropriation for this purpose. Under the plan worked out for the payment of subsidies prior to the passage of the 1949 bill, whereby cash subsidies are paid to the extent that they are not now positively recapturable with the exception that a 5 percent "token payment" will in any event be paid currently to the operator subject to 100 percent estimated recapture, it is believed that the amount contained in the bill is sufficient to meet all 1950 requirements for this purpose.

Reserve fleet expenses.—The bill includes $6,534,800 for this purpose which is a reduction of $1,718,200 under the budget figure. The committee has specifically denied $500,000 contained in the estimates for the operation of drydocks during the next fiscal year. It has also eliminated $65,000 requested for use in connection with the payment of insurance premiums during the fiscal year 1950.

In connection with the $500,000 reduction for drydock operation, the committee wishes to point out that heretofore it has denied funds for this purpose and sees no reason for changing its position at the present time. Also the committee is advised that the Maritime Commission and others interested in the proposal have recently testified on the subject before the Committee on Merchant Marine and Fisheries which is considering a proposal authorizing this program. In view of this situation, the committee feels doubly justified in deferring approval until the legislative committee has adopted a policy on the question.

The committee made inquiries during hearings on the bill as to what it regarded as an unusual request for $65,000 for the payment of insurance for the protection of life and property in connection with expenses of the fleet reserve. The committee was advised that over a certain period the Government had paid out $82,520 in premiums and that over this same period there had been paid out for claims, approximately $2,000. The committee pointed out to members of the Commission that the carrying of insurance by the Government was a most unusual procedure and that persons suffering personal injury or damage to property could file a claim against the Government and receive reimbursement therefor. Following the hearings, the committee received a letter from the Chairman of the Maritime Commission in which he stated that the general counsel had advised the Commission that it can provide legal service in connection with claims without undue burden and in view of this and the fact that claims have not been numerous, it has been decided to discontinue this form of protection as of March 31, 1949, when the current policies expire.

Backlog of accounts receivable.—For 4 years the committee has been endeavoring to force the Maritime Commission to clear up the tremendous backlog of work which has piled up in connection with the processing of certain accounts which have been pending for a numbers of years. There is a major backlog of accounts estimated to have a value of $26,000,000, there are 205,000 files to be examined, and it is expected that 35,000 items will require billing, and there are other backlogs. The committee has been in touch with the Comptroller General regarding this situation and has given consideration to the desirability of turning this work over to the General Accounting Office. The committee has had one or two conferences with representatives of the General Accounting Office and has been advised that a program has been worked out with the Maritime Commission which will insure the completion of this work in a reasonable time. The General Accounting Office has a staff of men operating in the Maritime Commission and the work of processing accounts is in progress. The committee will hold these agencies responsible for the completion of this work in a reasonable period and will expect a favorable report on progress before hearings on the next bill are started.

Maritime training fund.—The committee recommends a total of $3,151,050 for this purpose. This represents a decrease of $3,434,950 in the budget estimate of $6,586,000. The pending estimates as submitted by the budget eliminated all pay for enlisted trainees under this program for which approximately $884,700 was provided in the 1949 act, and included $1,411,000 for pay of cadet midshipmen at

Federal and State schools. The committee has eliminated the amount in the estimates for pay of cadet midshipmen which will place them on a par with other trainees under the program. The committee has also effected a reduction of $2,083,950 in funds requested for administrative expenses and has added $60,000 to the estimates to provide funds for medical and dental care of trainees to be expended under the direction of the Public Health Service. In effecting this substantial reduction in administrative personnel, the committee has taken into consideration the fact that attendance at the schools will decrease substantially under the program recommended, and it is believed that the personnel provided in the bill will be adequate to furnish all necessary staff to carry on the program at a modified rate. In recommending this reduction in the program for maritime training, the committee has taken into consideration evidence and other facts available in connection with the necessity for its continuation and the value received by the Government in return therefor.

The committee has been advised that the number of trainees completing a course who actually enter the shipping industry is negligible and that there is a tremendous reservoir of trained personnel which could be called to duty if and when the necessity arises. Also it wishes to point out that the graduates of the several schools are under no legal obligation to the United States to render duty in the Naval Reserve or the shipping industry. For these reasons the committee can see no good reason for carrying forth such an expensive program from which the Government will derive little or no benefit. Neither the Army nor the Air Force, or other agency, excepting the Navy, has a college program that is at all comparable in the way of benefits given to trainees. This training program originated during the war and is expensive. If it is to be continued as a peacetime measure careful consideration should be given to shifting its cost from the backs of the public to that of the shipping industry.

State marine schools.—The bill contains $200,000 for allocation to the four State marine schools located in California, Maine, Massachusetts, and New York, for expenses to be incurred in the maintenance and support of marine schools in each State and the bill also contains $170,000 for maintenance and repair of vessels loaned by the United States to the above States in connection with maritime-school work, this latter sum being a reduction of $30,000 in the budget estimate as submitted to the Congress.

VETERANS' ADMINISTRATION

The committee recommends a total of $5,145,431,940 for the Veterans' Administration for the fiscal year 1950 and prior years. This total is $14,877,940 in excess of the 1949 appropriation and $508-, 750,060 less than the budget estimate. A substantial portion of the amounts provided in the bill will be required for use during the 1949 fiscal year.

The committee recommends the rescission of funds in the amount $1,250,000 in the appropriation "Administrative facilities," and $500,000 in the appropriation "Vocational rehabilitation revolving fund," which amounts are surplus to the needs of the agency.

Administration medical, hospital, and domiciliary services.—This appropriation covers all expenses including salaries and operating

costs of the central office in Washington, 70 regional offices of which 11 are located at hospitals, 76 subregional offices, 472 contact offices (as of January 31, 1949), 13 district offices for insurance and death claims activities, 4 supply depots (as at January 31, 1949), 3 publications depots, 1 records center, 1 special office in Balboa, C. Z., and for the cost of operating 149 hospitals by the end of 1950 (which include 13 domiciliary centers), and 3 domiciliary centers separate from hospitals.

The bill includes $820,673,940 for these purposes, a decrease of $116,081,060 under the amount approved for the fiscal year 1949 and $28,223,060 less than the budget figure. The reductions in this item arise principally from reduced needs in all programs other than medical and hospital care which are provided for in full as proposed in the estimates. The total cost of the medical program is $566,666,400. The committee has not reduced this sum by 1 penny and directs the Administrator to not reduce it.

The committee has noted that many doctors and dentists are performing administrative work in the District of Columbia and in the field and requests that such qualified personnel be assigned to the medical staff where their services are urgently required.

In effecting the reduction of $28,223,060 in administrative costs, the committee wishes to emphasize that administrative costs in the District of Columbia are too high and that some reductions can be made in the field without lessening direct service to veterans. Funds for administrative expenses in connection with supply and real-estate operations as well as for the operation of supply depots are excessive and should be reduced substantially. Also it should be possible to close one supply depot during the fiscal year 1950. The number of employees provided in the estimates to supervise work performed by the Corps of Engineers of the Army is excessive and should be reduced. These latter funds come from hospital construction money. Also the committee was advised that the administration was contemplating the opening of additional inspection offices and special-service offices in the field, some of them in lieu of offices heretofore in existence. The committee feels that the establishment of additional offices in the field is not warranted and that savings required by the committee in this appropriation can well be made by giving up plans in this connection.

The appropriation estimate for this item includes for the 1950 fiscal year the estimated cost of printing and binding in the amount of $2,830,000. The committee recommends a reduction of $330,000 in this item.

The estimate does not include additional administrative costs which will be necessary in connection with the determination and payment of dividends due the policy holders under the national life insurance contracts. The cost for this activity will be submitted at a later date when more accurate estimates are available.

Many complaints have come to the committee as to the inefficient handling of insurance cases. Records are shifted from point to point, which seems to be one of the principal reasons for delays. The committee requests that the Administrator issue the necessary orders which will require that these records be consolidated in one office in the region where the veteran resides, in order that the regional office can give immediate and complete information to veterans and take prompt action on their cases.

Air Force, Army, and Navy pensions.—The bill includes $1,998,801,000 for the payment of compensation and pensions, a portion of which amount will be required during the current fiscal year in order to provide sufficient funds for the entire 1949 fiscal year. In effecting this reduction of $222,089,000 in the estimate, the committee has taken into consideration the fact that funds provided hereunder are the result of a mathematical calculation which may vary from the original estimate. Testimony presented to the committee by Veterans' Administration representatives being to this effect, the committee has felt justified in making the reduction recommended. This title covers the payment of all compensation payments and allowances to veterans of the various wars, of the Regular Establishment and their beneficiaries in accordance with the laws enacted by the Congress and also for the payment of subsistence allowances to disabled veterans under Public Law No. 16, Seventy-eighth Congress, as amended.

Readjustment benefits.—The committee recommends $2,197,503,000, a portion of which will be required for the 1949 fiscal year for this purpose. This is a reduction of $244,167,000 under the budget estimate and $218,476,000 in excess of the 1949 appropriation. As in the preceding item, the committee has effected a moderate reduction on the strength of testimony to the effect that the amount required under this item could easily vary from 15 to 25 percent and that there was no way of fixing or controlling the cost factors. This title provides for payments of benefits to or on behalf of veterans as authorized by titles 2, 3, and 4 of the Servicemen's Readjustment Act of 1944, as amended.

The principal reduction in the requirements for 1950 as compared with the 1949 fiscal year arises from the reduced number of veterans availing themselves of education and training privileges as well as reduced payments under the readjustment allowance program resulting from expiration of eligibility for these benefits on July 25, 1949, for all veterans discharged or released from the service prior to July 25, 1947, the official end of the war.

The limitation in the Supplemental Independent Offices Appropriation Act, 1949, is included in the bill for 1950, and reads as follows:

Provided, That no part of this appropriation for education and training under title II of the Servicemen's Readjustment Act, as amended, shall be expended for tuition, fees, or other charges, or for subsistence allowance, for any course elected or commenced by a veteran on or subsequent to July 1, 1948, and which is determined by the Administration to be avocational or recreational in character. For the purpose of this proviso, education or training for the purpose of teaching a veteran to fly or related aviation courses in connection with his present or contemplated business or occupation shall not be considered avocational or recreational.

This limitation apparently has had a beneficial effect in directing veterans into courses which are vocational in character. The Bureau of the Budget has estimated that this provision has resulted in a saving of approximately $100,000,000 to the Government since the application of this limitation.

Military and naval insurance.—The committee recommends $3,735,000 for this item which represents a decrease of $1,361,000 from the amount appropriated for 1949, and is $415,000 less than the budget estimates. It is estimated that there will be available at the beginning of the 1950 fiscal year, a balance of $2,586,877 which added to the appropriation recommended will provide a total of $6,-

321,877 for the 1950 fiscal year. This appropriation covers payments arising from contracts with World War I veterans for what was known as war-risk insurance. Payments now being made are those to veterans who suffered a permanent and total disability as a result of war service or during the postwar period in which they carried this type of insurance; payments to beneficiaries of members of the armed services who died in service or during the postwar period during which this type of insurance was in force and payment to the United States Government life insurance fund to meet obligations sustained by that fund incident to the extra hazard of military or naval service in the case of persons so engaged while protected by the United States Government insurance policies.

Hospital and domiciliary facilities.—The budget estimates for this purpose proposed the rescission of $237,000,000 of contract authorization heretofore provided for the construction of veterans' hospitals at various points in the United States. The estimates also provided for the continued availability of contract authorizations in prior appropriation bills until July 1, 1951, with the reduction of $237,000,000 above referred to being applied to the total amount of such prior authorizations. A total of $822,500,000 in authority to incur obligations had been provided in previous acts. The amount of $202,000,000 was provided for payment of these authorizations in the Supplemental Independent Offices Appropriation Act, 1949, leaving $620,500,000 in authorizations unfunded. The proposed budget reduction of $237,000,000 in authority to incur obligations would have left $383,500,000 in unfunded authorizations requiring appropriations in future years. The actual effect of the proposed reduction in contract authorization would be to require the reduction of 16,000 beds under the program heretofore approved for veterans' hospitals. The budget program also contemplated the complete elimination of 24 proposed hospitals and the alteration in size of 15 other hospitals.

The committee is of the opinion that this reduction of program originated in the Bureau of the Budget and, perhaps, was not thoroughly considered. Therefore, it has eliminated the proposed rescission of $237,000,000 of contract authorization from the bill, so that should the President decide that all or any part of the proposed hospital program which the Budget had eliminated is necessary, the authorization to proceed with the work will be available.

National service life insurance.—The bill includes $49,374,000 for this item which is $54,000 more than the 1949 appropriation and $5,486,000 less than the budget figure. This item covers payment to the national service life insurance trust fund to meet obligations sustained by that fund incident to mortality costs on account of deaths traceable to the extra hazard of military or naval service; the cost of waiver of premiums on account of total disability traceable to such extra hazards; cost of waiver of recovery of payments under the provisions of section 609 (a) on national service life insurance policies in accordance with the provisions of part I, title VI, Public Law 801, Seventy-sixth Congress; and the payment of benefits directly from and the crediting of premiums directly to the appropriation under the authority of the act, as amended, August 1, 1946, Public Law 589, Seventy-ninth Congress.

Veterans' miscellaneous benefits.—The bill includes $75,330,000 for all miscellaneous benefits which is an increase of $23,447,000 in the

1949 appropriation, and $8,370,000 less than the budget estimate. This appropriation covers the cost of burial expenses authorized by Veterans Regulation 9 (a), as amended, for supplies, equipment, and tuition for veterans in training under Public Law 16, and assistance to certain veterans in acquiring specially adapted housing which they require by reason of the nature of their service-connected disabilities (herein referred to as "paraplegic housing"). The committee believes that the items contained in this appropriation could very well be combined with other appropriations of the Veterans' Administration, thus simplifying the appropriation structure and combining in one title related items, for example, statutory burial allowances might well be included with "Air Force, Army, and Navy pensions," while the costs for tuition, supplies, and equipment for Public Law 16 trainees and housing for paraplegics might well be included under the appropriation "Readjustment benefits." The funds requested under this title for paraplegic housing are to cover payments authorized by Public Law 702, Eightieth Congress, making available assistance to paraplegic veterans in order that they may be provided with suitable housing with special fixtures or movable facilities made necessary by the nature of their disability, and the necessary land therefor, subject to the limitation of part IX, Veterans Regulation 1 (a), as amended.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore included in connection with any appropriation bill are recommended:

On page 5, in connection with the appropriation for the Bureau of the Budget:

* * * *including the salary of the Director at $12,000 per annum so long as the position is held by the present incumbent;*

On page 8, in connection with the appropriation for construction, American Battle Monuments Commission:

* * * *and in addition the Commission is authorized to enter into contracts in the amount of $5,000,000 for the purposes of this appropriation.*

On pages 9 and 10, in connection with the appropriation for the Atomic Energy Commission:

* * * *and in addition to the amount herein provided, the Commission is authorized to contract for the purposes of this appropriation during the current fiscal year in an amount not exceeding $387,189,628:*

On page 10, in connection with the appropriation for the Civil Service Commission:

* * * *including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents;*

On pages 15 and 16, in connection with the appropriation for the Federal Communications Commission:

* * * *including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents,*

* * * * * * *

Provided, That funds appropriated under this paragraph may be used for application processing and hearings in connection with broadcast activities and for application processing in connection with safety and special services without regard to the apportionment of funds required by the Act of February 27, 1906 (31 U. S. C. 665).

On page 16, in connection with the appropriation for the Federal Power Commission:

** * * including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents;*

On page 17, in connection with the appropriation for the Federal Trade Commission:

** * * including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents;*

On page 19:

** * * Servicing of securities (privote funds): The Federal Works Administrator is authorized, in connection with the authority placed in him by the Independent Offices Appropriation Act, 1947, and section 6 of the Act of July 31, 1946 (16 U. S. C. 825u), in respect to all bonds and any other obligations under his jurisdiction, issued by public authorities, States, or other public bodies for projects financed by the Public Works Administrotion, to perform such services in the odministrotion of such bonds and other obligations as he determines to be necessary and in the public interest: Provided, That such services shall be at the request of such public ogencies: Provided further, That such public agencies shall pay to the United States the cost of such services and any funds thus received shall be deposited in a special account or accounts in the Treasury of the United States and shall be available to the Federal Works Administrator solely for defraying the cost of such services.*

On pages 20 and 21, in connection with the appropriation for general administrative expenses, Public Buildings Administration:

** * * including the salary of the Commissioner of Public Buildings at $12,000 per annum so long as the position is held by the present incumbent;*

On page 24:

** * * The provisions of section 322 of the Act of June 30, 1932, as amended (40 U. S. C. 278a), shall not apply to any lease entered into by, or transferred to, the Public Buildings Administration for the housing of activities specifically exempted from the provisions of the said Act, as amended.*

On pages 25 and 26, in connection with the appropriation for the national industrial reserve, Public Buildings Administration:

** * * Provided, That the War Assets Administration or its successor agency is hereby authorized and directed to transfer to the Public Buildings Administration, without reimbursement, the land and buildings comprising War Assets Administration disposal center numbered 12, Buffalo, New York, together with all appurtenances thereto: Provided further, That the Public Buildings Administration may furnish necessary utilities or services, at cost, to persons, firms or corporations in connection with the occupancy of such plants and the amounts received therefor may be credited as reimbursements to this appropriation.*

On page 27 in connection with the appropriation for general administrative expenses, Public Roads Administration:

** * * including the salary of the Commissioner of Public Roads at $12,000 per annum so long as the position is held by the present incumbent.*

On page 31, in connection with the appropriation for forest highways, Public Roads Administration:

** * * Provided, That any unexpended balances of amounts appropriated for forest highways under "Forest roads and trails" under the Department of Agriculture which are transferred to the Public Roads Administration shall be consolidated with this appropriation.*

On pages 39 and 40, in connection with the appropriation for the National Advisory Committee for Aeronautics:

** * * including the salary of a chairman at $15,000 per annum, to be appointed for a term of four years by the President, by and with the advice and consent of the Senate,*

* * * * * * *

Provided, That in addition, the Committee may enter into contracts for the purposes of this appropriation in an amount not in excess of $10,000,000.

On page 42, in connection with the appropriation for the National Capital Park and Planning Commission:

** * * Provided, That not exceeding $25,000 of funds available during the current fiscal year may be used for personal services.*

On page 43, in connection with the appropriation for the Philippine War Damage Commission:

** * * Provided, That the provisions of the Act of June 29, 1936 (46 U. S. C. 1241), shall not apply to any travel or transportation of effects payable from this appropriation:*

On page 44, in connection with the appropriation for the Securities and Exchange Commission:

** * * including salaries of the commissioners at $12,000 each per annum so long as the positions are held by the present incumbents;*

On page 50, in connection with the appropriation for new ship construction, United States Maritime Commission:

** * * and, in addition, the Commission is authorized to enter into contracts for new ship construction in an amount not to exceed $70,125,000:*

On pages 62, 63, and 64:

** * * SEC. 108. Where provision is made in this title specifically setting forth the salary of any officer or employee, such salary rate shall be effective immediately upon the passage of this Act and shall not prevent such officer or employee from receiving salary at a higher rate under specific legislation enacted by the First Session of the Eighty-first Congress.*

SEC. 109. No part of any appropriations made available by the provisions of this title shall be used for the purchase or sale of real estate or for the purpose of establishing new offices outside the District of Columbia (with the exception of the Tennessee Valley Authority), without the prior approval of the Subcommittees on Independent Offices Appropriations of the Committees on Appropriations of the Senate and the House of Representatives.

SEC. 110. All agencies provided for in this title shall furnish an administrative break-down of the costs of personnel and other obligations in the District of Columbia and in the field in such detail as the Subcommittees on Independent Offices Appropriations of the Committees on Appropriations of the Senate and the House of Representatives may direct.

SEC. 111. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and twenty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: Provided, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

On page 70, in connection with the authorization for administrative expenses, Public Housing Administration:

** * * Provided further, That the Administrator of the Housing and Home Finance Agency may relinquish and transfer, pursuant to the same general terms and conditions specified in subsections 505 (a) and (b) of the Act of October 14, 1940, as added by the Act of June 28, 1948 (Public Law 796), title to temporary housing provided for certain veterans and their families under title V of said Act of October 14, 1940, as amended, to any State, county, city, or other public body: Provided further, That any application for such relinquishment and transfer shall be filed with the Administrator within one hundred and twenty days after the approval of this Act.*

On page 71, in connection with the authorization for the Inland Waterways Corporation:

** * * (including prevailing leave allowances for vessel employees, but the granting of such allowances shall not be construed as establishing a different leave system within the meaning of that term as used in section 3 of the Act of December 21, 1944 (5 U. S. C. 61d)).*

On pages 73 and 74:

** * * SEC. 203. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and twenty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: Provided, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.*

On pages 79 and 80:

** * * SEC. 311. After June 30, 1949, the corporations or agencies subject to the Government Corporation Control Act, as amended (31 U. S. C. 841), are authorized, with the approval of the Comptroller General, to consolidate, notwithstanding the provisions of any other law, into one or more accounts for banking and checking purposes all cash, including amounts appropriated, from whatever source derived: Provided, That such cash, including amounts appropriated, of such corporations or agencies shall be expended in accordance with the applicable terms of their respective enabling acts and any other acts applicable to their transactions.*

COMPLIANCE WITH RULE XIII—CLAUSE 2A

The following is submitted in compliance with clause 2A, of rule XIII:

EXISTING LAW	IN PENDING BILL
* * * * *	
* * * It shall also be the duty of the heads of the several executive departments and of the proper officers of other Government establishments, not within the jurisdiction of any executive department, to make appropriate rules and regulations to secure a proper administrative examination of all accounts sent to them, as required by section 78 of this title, before their transmission to the General Accounting Office, and for the execution of other requirements of this chapter insofar as the same relate to the several departments or establishments. (31 U. S. C. sec. 75)	*Provided, That the Maritime Commission is authorized to dispense with the administrative audit of agents' accounts covering voyages beginning prior to April 1, 1949; (Page 49 of bill.)*
* * * To facilitate the carrying out of agreements with State departments or agencies and to assist in the discharge of the Administrator's duties under this subchapter, a representative of the Administrator, who shall be a war veteran separated from active service under honorable conditions and who at the time of appointment shall have been a bona fide resident of the State for at least two years, shall be located in each participating State department or agency. (38 U. S. C. sec. 696f (a))	** * * Provided further, That hereafter the Administrator shall assign as his representatives, as provided for in the last sentence of section 1100 (a) of the Servicemen's Readjustment Act of 1944 (38 U. S. C. 696f), only such numbers of regional or sectional representatives as he finds necessary to provide for the processing of readjustment allowances in an efficient and economical manner, and any such representative may be assigned to one or more States (without regard to residence in any State to which assigned) as may be necessary to carry out the intent of this proviso. (Page 56 of bill.)*

COMPARATIVE STATEMENT OF THE APPROPRIATIONS FOR 1949, THE BUDGET ESTIMATES FOR 1950, AND THE AMOUNTS RECOMMENDED IN THE ACCOMPANYING BILL FOR 1950

(NOTE.—Appropriations for 1949 include supplemental and deficiency appropriations)

Object	Appropriations, 1949	Budget estimates, 1950	Recommended in bill for 1950	Increase (+), or decrease (−), bill compared with 1949 appropriations	Increase (+), or decrease (−), bill compared with estimates for 1950
EXECUTIVE OFFICE OF THE PRESIDENT					
Compensation of the President	$75,000	[1] $150,000	$150,000	+$75,000	
The White House Office:					
Salaries and expenses	969,612	1,375,140	1,375,140	+405,528	
Emergency personal services	200,000			−200,000	
Total, White House Office	1,169,612	1,375,140	1,375,140	+205,528	
Emergency fund for the President, including disaster relief	1,700,000	1,000,000	1,000,000	−700,000	
Executive Mansion and grounds	230,700	260,400	260,400	+29,700	
Bureau of the Budget:					
Salaries and expenses	2,992,000	3,314,500	2,983,050	−8,950	−$331,450
Printing and binding	122,000	[2]		−122,000	
Total, Bureau of the Budget	3,114,000	3,314,500	2,983,050	−130,950	−331,450
Council of Economic Advisers, salaries and expenses	300,000	340,000	300,000		−40,000

Office for Emergency Management:					
Philippine Alien Property Administration, administrative expenses	[3]	[4]	[5]	----------	----------
Total, Executive Office of the President	6, 589, 312	6, 440, 040	6, 068, 590	−520, 722	−371, 450
AMERICAN BATTLE MONUMENTS COMMISSION					
Salaries and expenses	355, 000	758, 000	644, 300	+289, 300	−113, 700
Construction of memorials and cemeteries	[6] 723, 500	[7] 5, 276, 500	[7] 5, 276, 500	+4, 553, 000	----------
Total, American Battle Monuments Commission	1, 078, 500	6, 034, 500	5, 920, 800	+4, 842, 300	−113, 700
ATOMIC ENERGY COMMISSION	[8] 511, 850, 000	[9] 740, 000, 000	[10] 702, 930, 769	+191, 080, 769	−37, 069, 231
CIVIL SERVICE COMMISSION					
Salaries and expenses	15, 641, 000	17, 520, 000	14, 000, 000	−1, 641, 000	−3, 520, 000
Panama Canal construction fund	2, 259, 098	5, 894, 300	5, 304, 870	+3, 045, 772	−589, 430
Civil-service retirement and disability fund	224, 000, 000	328, 393, 000	295, 553, 700	+71, 553, 700	−32, 839, 300

[1] Includes $75,000 in H. Doc. No. 40. Includes an expense allowance at the rate of $50,000 per annum.
[2] Consolidated with preceding item.
[3] Not to exceed $440,000 for administrative expenses payable from funds available from operations.
[4] Not to exceed $270,000 for administrative expenses payable from funds available from operations.
[5] Not to exceed $250,000 for administrative expenses payable from funds available from operations.
[6] And contract authorization of $1,276,500.
[7] And contract authorization of $5,000,000.
[8] And contract authorization of $400,000,000.
[9] And contract authorization of $427,000,000.
[10] And unobligated balances of prior-year appropriations; and contract authority of $387,189,628.

Comparative statement of the appropriations for 1949, the budget estimates for 1950, and the amounts recommended in the accompanying bill for 1950—Continued

Object	Appropriations, 1949	Budget estimates, 1950	Recommended in bill for 1950	Increase (+), or decrease (−), bill compared with 1949 appropriations	Increase (+), or decrease (−), bill compared with estimates for 1950
CIVIL SERVICE COMMISSION—continued					
Canal Zone retirement and disability fund	$1, 177, 000	$999, 000	$899, 100	−$277, 900	−$99, 900
Alaska Railroad retirement and disability fund	217, 000	215, 000	193, 500	−23, 500	−21, 500
Total, Civil Service Commission	243, 294, 098	353, 021, 300	315, 951, 170	+72, 657, 072	−37, 070, 130
DISPLACED PERSONS COMMISSION	[11] 2, 000, 000	5, 200, 000	4, 210, 000	+2, 210, 000	−990, 000
FEDERAL COMMUNICATIONS COMMISSION					
Salaries and expenses	6, 310, 000	6, 633, 000	6, 525, 000	+215, 000	−108, 000
Printing and binding	40, 000	[12]		−40, 000	
Total, Federal Communications Commission	6, 350, 000	6, 633, 000	6, 525, 000	+175, 000	−108, 000
FEDERAL POWER COMMISSION					
Salaries and expenses	3, 649, 550	3, 861, 000	3, 650, 000	+450	−211, 000
Flood-control surveys	340, 000	350, 200	325, 000	−15, 000	−25, 200

Printing and binding	60,000	[13]		−60,000	
Total, Federal Power Commission	4,049,550	4,211,200	3,975,000	−74,550	−236,200
FEDERAL TRADE COMMISSION					
Salaries and expenses	3,401,510	3,739,000	3,450,000	+48,490	−289,000
Printing and binding	46,525	[12]		−46,525	
Total, Federal Trade Commission	3,448,035	3,739,000	3,450,000	+1,965	−289,000
FEDERAL WORKS AGENCY					
Office of the Administrator	344,540	372,000	300,000	−44,540	−72,000
Public Works Administration liquidation	[14]	[15]	[15]		
Penalty mail costs	28,800			−28,800	
Damage claims	10,000			−10,000	
Total, Office of the Administrator	383,340	372,000	300,000	−83,340	−72,000
Public Buildings Administration:					
General administrative expenses	2,160,500	2,160,000	[16] 1,763,000	−397,500	−397,000
Repair, preservation, and equipment, public buildings outside District of Columbia	10,000,000	10,000,000	10,000,000		

[11] Contained in Second Deficiency Appropriation Act, 1948.
[12] Consolidated with preceding item.
[13] Consolidated with two preceding items.
[14] Funds heretofore provided continued available until June 30, 1949.
[15] Funds heretofore provided continued available until June 30, 1950.
[16] And the unobligated balance of funds appropriated for the return of departmental functions to the seat of government in the "Independent Offices Appropriation Act, 1948."

Comparative statement of the appropriations for 1949, the budget estimates for 1950, and the amounts recommended in the accompanying bill for 1950—Continued

Object	Appropriations, 1949	Budget estimates, 1950	Recommended in bill for 1950	Increase (+), or decrease (−), bill compared with 1949 appropriations	Increase (+), or decrease (−), bill compared with estimates for 1950
FEDERAL WORKS AGENCY—continued					
Public Buildings Administration—Con.					
Salaries and expenses, public buildings and grounds in District of Columbia	$30, 115, 000	$34, 600, 000	$31, 140, 000	+$1, 025, 000	−$3, 460, 000
Salaries and expenses, public buildings and grounds outside District of Columbia	22, 220, 000	26, 632, 000	23, 968, 800	+1, 748, 800	−2, 663, 200
National industrial reserve	[17] 5, 000, 000	15, 000, 000	12, 500, 000	+7, 500, 000	−2, 500, 000
Hospital center, District of Columbia	[18] 500, 000			−500, 000	
Geophysical institute, Alaska	[19] 100, 000	875, 000	875, 000	+775, 000	
Buildings and facilities, Cincinnati, Ohio	[20] 200, 000			−200, 000	
General Accounting Office Building, District of Columbia		5, 000, 000	5, 000, 000	+5, 000, 000	
Federal Courts Building, District of Columbia		5, 000, 000	5, 000, 000	+5, 000, 000	
Improvement of post-office facilities, Los Angeles, Calif	[20] 1, 000, 000			−1, 000, 000	
Total, Public Buildings Administration	71, 295, 500	99, 267, 000	90, 246, 800	+18, 951, 300	−9, 020, 200

Public Roads Administration:					
Elimination of grade crossings	7,300,000			−7,300,000	
Federal aid, postwar highways	427,288,854	400,000,000	[21] 373,491,000	−53,797,854	−26,509,000
Forest highways	12,800,000	23,500,000	22,500,000	+9,700,000	−1,000,000
Testing and research laboratory	1,000,000			−1,000,000	
Access roads	[22]	[22]	[22]		
Total, Public Roads Administration	448,388,854	423,500,000	395,991,000	−52,397,854	−27,509,000
BUREAU OF COMMUNITY FACILITIES					
Public works advance planning		[23]	[23]		
Public works advance planning liquidation	[24]	[25]	[25]		
Virgin Islands public works	896,250	800,000	680,000	−216,250	−120,000
Maintenance and operation of schools	[26] 3,000,000			−3,000,000	
War public works (community facilities) liquidation	[27]	[28]	[28]		

[17] And contract authorization for $5,000,000.
[18] And contract authorization for $19,500,000.
[19] And contract authorization for $875,000.
[20] Contained in Second Deficiency Appropriation Act, 1948.
[21] And $1,509,000 of the unobligated balance of funds heretofore appropriated for access roads.
[22] Not to exceed $70,000 made available for maintenance of roads and bridges in Arlington County, Va.
[23] Unexpended balances on June 30, 1949, continued available until June 30, 1950.
[24] Not to exceed $675,000 of unobligated balance continued available until June 30, 1949.
[25] Not to exceed $350,000 of unobligated balance continued available.
[26] Contained in Second Deficiency Appropriation Act, 1948.
[27] Not to exceed $337,000 of unobligated balances made available.
[28] Not to exceed $175,000 of unobligated balances made available.

Comparative statement of the appropriations for 1949, the budget estimates for 1950, and the amounts recommended in the accompanying bill for 1950—Continued

Object	Appropriations, 1949	Budget estimates, 1950	Recommended in bill for 1950	Increase (+), or decrease (−), bill compared with 1949 appropriations	Increase (+), or decrease (−), bill compared with estimates for 1950
BUREAU OF COMMUNITY FACILITIES—con.					
Veterans' educational facilities	[29]	[30]	[30] [31]		
Grants for plan preparation, water pollution control		$500,000	$400,000	+$400,000	−$100,000
Administrative expenses, water pollution control	$75,000	150,000	100,000	+25,000	−50,000
Total, Bureau of Community Facilities	3,971,250	1,450,000	1,180,000	−2,791,250	−270,000
Total, Federal Works Agency	524,038,944	524,589,000	487,717,800	−36,321,144	−36,871,200
GENERAL ACCOUNTING OFFICE					
Salaries	32,109,000	35,270,000	31,743,000	−366,000	−3,527,000
Miscellaneous expenses	1,732,000	1,582,000	1,423,800	−308,200	−158,200
Total, General Accounting Office	33,841,000	36,852,000	33,166,800	−674,200	−3,685,200
HOUSING AND HOME FINANCE AGENCY					
Office of the Administrator	[32] 1,050,000	1,600,000	1,200,000	+150,000	−400,000
Federal Housing Administration	[33] 10,000,000			−10,000,000	

Public Housing Administration (annual contributions)	4, 840, 000	5, 700, 000	5, 000, 000	+160, 000	−700, 000
Total, Housing and Home Finance Agency	15, 890, 000	7, 300, 000	6, 200, 000	−9, 690, 000	−1, 100, 000
INDIAN CLAIMS COMMISSION	90, 000	90, 000	90, 000		
INLAND WATERWAYS CORPORATION (Department of Commerce)	2, 000, 000	1, 000, 000	1, 000, 000	−1, 000, 000	
INTERSTATE COMMERCE COMMISSION					
General expenses	9, 131, 317	9, 712, 100	9, 321, 000	+189, 683	−391, 100
Railroad safety	908, 000	951, 000	958, 500	+50, 500	+7, 500
Locomotive inspection	615, 000	667, 000	674, 500	+59, 500	+7, 500
Printing and binding	205, 000	[34]		−205, 000	
Penalty-mail costs	35, 000			−35, 000	
Total, Interstate Commerce Commission	10, 894, 317	11, 330, 100	10, 954, 000	+59, 683	−376, 100
INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN	5, 000	5, 000	5, 000		

[29] Limitation on funds available for administrative expenses increased from $3,750,000 to $4,000,000.
[30] Funds provided specifically for separated or furloughed employees decreased from $467,000 to $367,000.
[31] Limitation on funds available for administrative expenses decreased from $4,000,000 to $3,800,000.
[32] Includes $300,000 appropriated in the Supplemental Appropriation Act, 1949.
[33] Appropriation made in the Supplemental Appropriation Act, 1949, to make available to the Federal Housing Administration credit to the housing investment insurance fund.
[34] Consolidated with item "General expenses."

Comparative statement of the appropriations for 1949, the budget estimates for 1950, and the amounts recommended in the accompanying bill for 1950—Continued

Object	Appropriations, 1949	Budget estimates, 1950	Recommended in bill for 1950	Increase (+), or decrease (−), bill compared with 1949 appropriations	Increase (+), or decrease (−), bill compared with estimates for 1950
NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS					
Salaries and expenses	$37, 810, 000	$48, 700, 000	$38, 710, 000	+$900, 000	−$9, 990, 000
Printing and binding	95, 000	(35)		−95, 000	
Construction and equipment at laboratories	[36] 10, 000, 000	[37] 15, 000, 000	[38] 10, 000, 000		−5, 000, 000
Total, National Advisory Committee for Aeronautics	47, 905, 000	63, 700, 000	48, 710, 000	+805, 000	−14, 990, 000
NATIONAL ARCHIVES					
Salaries and expenses	1, 334, 555	1, 448, 000	1, 350, 000	+15, 445	−98, 000
Printing and binding	23, 500	(35)		−23, 500	
Total, National Archives	1, 358, 055	1, 448, 000	1, 350, 000	−8, 055	−98, 000
NATIONAL CAPITAL HOUSING AUTHORITY					
Maintenance and operation	23, 400	34, 900	31, 410	+8, 010	−3, 490
Penalty-mail costs	1, 300			−1, 300	
Total, National Capital Housing Authority	24, 700	34, 900	31, 410	+6, 710	−3, 490

NATIONAL CAPITAL PARK AND PLANNING COMMISSION					
Land acquisition	400,000	948,000	695,000	+295,000	−253,000
District of Columbia redevelopment project planning		73,700	20,000	+20,000	−53,700
Total, National Capital Park and Planning Commission	400,000	1,021,700	715,000	+315,000	−306,700
OFFICE OF SELECTIVE SERVICE RECORDS	2,476,000			−2,476,000	
PHILIPPINE WAR DAMAGE COMMISSION	95,000,000	[39] 185,000,000	184,800,000	+89,800,000	−200,000
SECURITIES AND EXCHANGE COMMISSION					
Salaries and expenses	5,732,140	5,970,000	5,750,000	+17,860	−220,000
Printing and binding	94,000	([41])		−94,000	
Total, Securities and Exchange Commission	5,826,140	5,970,000	5,750,000	−76,140	−220,000
SELECTIVE SERVICE SYSTEM	[42] 25,000,000	16,700,000	9,000,000	−16,000,000	−7,700,000

[35] Consolidated with preceding item.
[36] And contract authorization of $18,200,000.
[37] And contract authorization of $21,500,000.
[38] And contract authorization of $10,000,000.
[39] Includes $20,000,000 in H. Doc. No. 48.
[41] Consolidated with preceding item.
[42] Contained in Second Deficiency Appropriation Act, 1948. Appropriation of $2,476,000 for selective-service records also transferred to this appropriation.

Comparative statement of the appropriations for 1949, the budget estimates for 1950, and the amounts recommended in the accompanying bill for 1950—Continued

Object	Appropriations, 1949	Budget estimates, 1950	Recommended in bill for 1950	Increase (+), or decrease (−), bill compared with 1949 appropriations	Increase (+), or decrease (−), bill compared with estimates for 1950
SMITHSONIAN INSTITUTION					
Salaries and expenses	$2,090,000	$2,300,000	$2,300,000	+$210,000	
National Gallery of Art, salaries and expenses	966,000	1,087,700	1,057,700	+91,700	−$30,000
Total, Smithsonian Institution	3,056,000	3,387,700	3,357,700	+301,700	−30,000
TARIFF COMMISSION					
Salaries and expenses	1,180,000	1,350,000	1,200,000	+20,000	−150,000
Printing and binding	20,000	(43)		−20,000	
Total, Tariff Commission	1,200,000	1,350,000	1,200,000		−150,000
TENNESSEE VALLEY AUTHORITY	27,389,061	56,400,000	49,359,150	+21,970,089	−7,040,850
THE TAX COURT OF THE UNITED STATES					
Salaries and expenses	754,700	800,000	800,000	+45,300	
Printing and binding	17,500	(43)		−17,500	
Total, the Tax Court of the United States	772,200	800,000	800,000	+27,800	

UNITED STATES MARITIME COMMISSION					
Salaries and expenses	[44] 68, 360, 775	[45] 72, 141, 390	[46] 62, 380, 424	−5, 980, 351	−9, 760, 966
Maritime training	7, 744, 000	6, 586, 000	3, 151, 050	−4, 592, 950	−3, 434, 950
State marine schools	400, 000	400, 000	370, 000	−30, 000	−30, 000
Vessel operating functions	25, 483, 976			−25, 483, 976	
War Shipping Administration, liquidation of obligations	([47])	([48])	([48])		
Total, United States Maritime Commission	101, 988, 751	79, 127, 390	65, 901, 474	−36, 087, 277	−13, 225, 916
VETERANS' ADMINISTRATION					
Administration, medical, hospital, and domiciliary services	936, 755, 000	848, 897, 000	820, 673, 940	−116, 081, 060	−28, 223, 060
Printing and binding	3, 148, 000	([43])		−3, 148, 000	
Tort claims	15, 000	15, 000	15, 000		
Pensions	1, 898, 000, 000	2, 220, 890, 000	1, 998, 801, 000	+100, 801, 000	−222, 089, 000
Readjustment benefits	1, 979, 027, 000	2, 441, 670, 000	2, 197, 503, 000	+218, 476, 000	−244, 167, 000
Military and naval insurance	5, 096, 000	4, 150, 000	3, 735, 000	−1, 361, 000	−415, 000

[43] Consolidated with preceding item.
[44] And contract authorization of $75,000,000.
[45] Estimate reduced from $94,583,390 to $72,141,390 in H. Doc. No. 90; and contract authorization increased from $60,000,000 to $82,500,000 in H. Doc. No. 90.
[46] And contract authorization of $70,125,000; and $104,000,000 of the funds and contract authority for new ship construction in the Supplemental Independent Offices Appropriation Act, 1949, continued available until Sept. 30, 1949.
[47] Unexpended balance continued available.
[48] Not to exceed $15,000,000 of unexpended balance continued available.

Comparative statement of the appropriations for 1949, the budget estimates for 1950, and the amounts recommended in the accompanying bill for 1950—Continued

Object	Appropriations, 1949	Budget estimates, 1950	Recommended in bill for 1950	Increase (+), or decrease (−), bill compared with 1949 appropriations	Increase (+), or decrease (−), bill compared with estimates for 1950
VETERANS' ADMINISTRATION—continued					
Hospital and domiciliary facilities	[49] $202,000,000	([50])	([51])	−$202,000,000	
National service life insurance	49,320,000	[52] $54,860,000	$49,374,000	+54,000	−$5,486,000
Soldiers' and sailors' civil relief	[53] 310,000	([54])		−310,000	
Automobiles for disabled veterans	[55] 5,000,000			−5,000,000	
Veterans' miscellaneous benefits	51,883,000	[56] 83,700,000	75,330,000	+23,447,000	−8,370,000
Total, Veterans' Administration	5,130,554,000	5,654,182,000	5,145,431,940	+14,877,940	−508,750,060
Grand total, Executive Office and independent establishments	6,808,368,663	7,775,566,830	7,104,571,603	+296,202,940	−670,995,227
Total, contract authorization	562,851,500	536,000,000	472,314,628	−90,536,872	−63,685,372
Total, cash and contract authorization	7,371,220,163	8,311,566,830	7,576,886,231	+205,666,068	−734,680,599

[49] And contract authorization of $43,000,000.
[50] Contract authorization in the Third Urgent Deficiency Appropriation Act, 1946, the Independent Offices Appropriation Act, 1948, and the Supplemental Independent Offices Appropriation Act, 1949, extended to July 1, 1951, except for reduction of $237,000,000.
[51] Contract authorization in the Third Urgent Deficiency Appropriation Act, 1946, the Independent Offices Appropriation Act, 1948, and the Supplemental Independent Offices Appropriation Act, 1949, extended to July 1, 1951.
[52] Reduced from $72,600,000 in H. Doc. No. 85.
[53] Includes $245,000 in Second Deficiency Appropriation Act, 1948.
[54] Reduced from $95,000 in H. Doc. No. 85.
[55] Contained in Supplemental Appropriation Act, 1949.
[56] Reduced from $110,747,000 in H. Doc. No. 85.

COMPARATIVE STATEMENT SHOWING CONTRACT AUTHORIZATIONS, 1949, ESTIMATED FOR 1950, AND THE AMOUNT RECOMMENDED IN THE BILL FOR 1950

Agency	Authorization, 1949	Estimated authorization, 1950	Recommended in bill for 1950	Increase (+) or decrease (−), bill compared with 1949 authorization	Increase (+) or decrease (−), bill compared with estimates for 1950
American Battle Monuments Commission	$1,276,500	$5,000,000	$5,000,000	+$3,723,500	
Atomic Energy Commission	400,000,000	427,000,000	387,189,628	−12,810,372	−$39,810,372
Public Buildings Administration	25,375,000			−25,375,000	
National Advisory Committee for Aeronautics	18,200,000	21,500,000	10,000,000	−8,200,000	−11,500,000
U. S. Maritime Commission	75,000,000	82,500,000	70,125,000	−4,875,000	−12,375,000
Veterans' Administration	43,000,000			−43,000,000	
Total, contract authorization	562,851,500	536,000,000	472,314,628	−90,536,872	−63,685,372

ADMINISTRATIVE EXPENSES OF GOVERNMENT CORPORATIONS CONTAINED IN BILL

[Limitations on amounts of corporate funds to be expended]

Corporation or agency	Authorization, 194	Estimate, 1950	Recommended in bill, 1950	Increase (+) or decrease (−), bill compared with 1949 authorizations	Increase (+) or decrease (−), bill compared with estimates for 1950
Tennessee Valley Associated Cooperatives, Inc	$1,000			−$1,000	
Tennessee Valley Authority	3,677,000	$4,110,000	$3,699,000	+22,000	−$411,000
Housing and Home Finance Agency:					
Home Loan Bank Board	1,800,000	450,000	427,500	−1,372,500	−22,500
Federal Savings and Loan Insurance Corporation	600,000	650,000	617,500	+17,500	−32,500
Home Owners' Loan Corporation	2,300,000	2,145,000	1,823,250	−476,750	−321,750
Federal Housing Administration	[1] 19,000,000	22,500,000	21,860,750	+2,860,750	−639,250
Public Housing Administration:					
Salaries and expenses	9,500,000	8,750,000	8,054,600	−1,445,400	−695,400
Liquidation of resettlement projects	40,000	22,000	19,800	−20,200	−2,200
Department of Commerce: Inland Waterways Corporation	498,800	542,000	522,000	+23,200	−20,000
Total	37,416,800	39,169,000	37,024,400	−392,400	−2,144,600

[1] The Supplemental Appropriation Act, 1949, authorized expenditure in fiscal year 1949 from this authorization of not to exceed $2,100,000 for administrative expenses in connection with the Housing Act of 1948.

PERMANENT AND INDEFINITE ANNUAL AND TRUST ACCOUNT APPROPRIATIONS

Object	Appropriations, 1949	Estimates, 1950	Increase (+) or decrease (−)
GENERAL AND SPECIAL FUNDS			
Atomic Energy Commission: Payments from proceeds of motor-vehicle sales	$200,000	$200,000	----------
Civil Service Commission: Payments from proceeds of motor-vehicle sales	3,000	3,000	----------
Federal Communications Commission: Payments from proceeds of motor-propelled-vehicle sales	1,000	1,000	----------
Federal Power Commission:			
Payments to States under	26,700	27,200	+$500
Payments from proceeds of motor-vehicle sales	1,200	1,600	+400
Federal Works Agency: Payments from proceeds of motor-vehicle sales	118,733	94,700	−24,033
Interstate Commerce Commission: Payments from proceeds of motor-propelled-vehicle sales	1,500	4,500	+3,000
National Advisory Committee for Aeronautics: Payments from proceeds of motor-propelled-vehicle sales	5,000	5,000	----------
National Archives: Proceeds from motor-vehicle sales	1,000	----------	−1,000
Smithsonian Institution, interest account	60,000	60,000	----------
Expenses of National Gallery of Art, interest account	200,000	200,000	----------

Permanent and indefinite annual and trust account appropriations—Continued

Object	Appropriations, 1949	Estimates, 1950	Increase (+) or decrease (−)
GENERAL AND SPECIAL FUNDS—continued			
Veterans' Administration:			
Relief of Mary L. Dickson	$240	$240	
Premiums on term insurance	40,000		−$40,000
Payments from proceeds of motor-propelled vehicle sales	20,000	20,000	
Total, permanent appropriations, general and special funds	678,373	617,240	−61,133
TRUST FUNDS			
Atomic Energy Commission: Unclaimed moneys due creditors of contractors of the United States		500	+500
Civil Service retirement and disability fund	678,732,469	824,590,957	+145,858,488
Canal Zone retirement and disability fund	2,903,338	2,781,257	−122,081
Alaska Railroad retirement and disability fund	774,689	812,525	+37,836
Federal Communications: International telecommunication settlements	200,000	200,000	
Federal Works Agency: Unclaimed moneys due creditors of contractors	1,000	1,000	
General Accounting Office:			
Amounts due laborers and withheld from contractors under act of Aug. 30, 1935	3,000	2,000	−1,000
Proceeds from estates of American citizens who died abroad	500	500	

Interstate Commerce Commission: Unearned fees, admission of attorneys	200	200	
National Archives:			
F. D. Roosevelt Library	65,000	65,000	
Use of fees collected by Archivist	12,000	15,000	+3,000
Donations to National Archives	20,000		−20,000
National Capital Park and Planning Commission: Contributions for purchase of land	250,000		−250,000
Securities and Exchange Commission, unearned fees	12,000	24,000	+12,000
Smithsonian Institution: Canal Zone biological area	3,000	3,000	
U. S. Maritime Commission:			
Unearned moneys, merchant-ship sales	$5,000,000		−$5,000,000
Unearned moneys, vessel operating functions	2,500,000		−2,500,000
Marine Academy, Kings Point, N. Y., donations for chapel and library	50,000	$100,000	+50,000
Veterans' Administration:			
U. S. Government life insurance fund	92,272,000	91,735,000	−537,000
Personal funds of patients	15,000,000	16,000,000	+1,000,000
General post fund	400,000	400,000	
Adjusted service certificate fund	300,000	280,000	−20,000
National service life-insurance fund	689,329,500	709,353,000	+20,023,500
Funds due incompetent beneficiaries	9,000,000	9,000,000	

Permanent and indefinite annual and trust account appropriations—Continued

Object	Appropriations, 1949	Estimates, 1950	Increase (+) or decrease (−)
TRUST FUNDS—continued			
Veterans' Administration—Continued			
Prepaid hazard insurance, taxes, etc	$30,000	$145,000	+$115,000
Unclaimed moneys of individuals whose whereabouts are known	25	50	+25
Total, permanent appropriation trust funds	1,496,858,721	1,655,508,989	+158,650,268
Total permanent appropriations	1,497,537,094	1,656,126,229	+158,589,135

Union Calendar No. 159

81ST CONGRESS
1ST SESSION

H. R. 4177

[Report No. 425]

IN THE HOUSE OF REPRESENTATIVES

APRIL 11, 1949

Mr. THOMAS of Texas, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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A BILL

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Executive Office and sundry independent executive bureaus, boards,

commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, namely:

TITLE I

EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of $50,000 per annum, as authorized by the Act of January 19, 1949 (Public Law 2), $150,000.

THE WHITE HOUSE OFFICE

Salaries and expenses: For expenses necessary for The White House Office, including compensation of the Secretary to the President and the six administrative assistants to the President as authorized by law, and the two additional secretaries to the President at $10,330 each, and other personal services in the District of Columbia; printing and binding; not to exceed $127,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at such per diem rates for individuals as the President may specify, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service; and travel and official entertainment expenses of the President, to be accounted for solely on his certificate; $1,375,140.

EMERGENCY FUND FOR THE PRESIDENT

To provide for emergencies affecting the national interest or security, without regard to such provisions of law regulating the expenditure of Government funds as the President may specify, and for supplementing the efforts and available resources of State and local governments or other agencies in alleviating hardship or suffering caused by flood, fire, hurricane, earthquake, or other catastrophe in any part of the United States, $1,000,000: *Provided*, That assistance in alleviating hardship or suffering caused by such a catastrophe may be rendered through such agency or agencies as the President may designate and in such manner as he shall determine, without regard to such provisions of law regulating the expenditure of Government funds or the employment of persons in the Government service as he shall specify, whenever he finds that such a catastrophe is of sufficient severity and magnitude to warrant emergency assistance by the Federal Government in alleviating hardship or suffering caused thereby, and if the Governor of any State in which such a catastrophe shall occur shall certify that such assistance is required, and shall have entered into an agreement with such agency of the Government as the President may designate, giving assurance of expenditure of a reasonable amount of the funds of the gov-

ernment of such State, local governments therein, or other agencies, for the same or similar purposes with respect to such catastrophe: *Provided further,* That within any affected area Federal agencies are authorized to participate in any such emergency assistance: *Provided further,* That no part of this appropriation which may be allocated for alleviating hardship or suffering caused by a catastrophe shall be expended for departmental personal services or for permanent construction: *And provided further,* That no part of this appropriation shall be available for allocation to finance a function or project for which function or project a budget estimate of appropriation was transmitted pursuant to law during the Eighty-first Congress and such appropriation denied after consideration thereof by the Senate or House of Representatives or by the Committee on Appropriations of either body.

EXECUTIVE MANSION AND GROUNDS

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Mansion and the Executive Mansion grounds, and traveling expenses, to be expended as the President may determine, notwithstanding the provisions of any other Act, $260,400.

BUREAU OF THE BUDGET

Salaries and expenses: For expenses necessary for the Bureau of the Budget, personal services in the District of Columbia and elsewhere, including the salary of the Director at $12,000 per annum so long as the position is held by the present incumbent; exchange of books; newspapers and periodicals (not exceeding $200); teletype news service (not exceeding $900); printing and binding; not to exceed $30,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed $50 per diem for individuals; a health-service program as authorized by law (5 U. S. C. 150); and the payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); $2,983,050.

No part of the appropriations herein made to the Bureau of the Budget shall be used for the maintenance or establishment of more than four regional, field, or any other offices outside the District of Columbia.

COUNCIL OF ECONOMIC ADVISERS

Salaries and expenses: For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U. S. C. 1021), including personal services in the District of Columbia; travel expenses; purchase of one

passenger motor vehicle for replacement only; printing and binding; newspapers and periodicals (not exceeding $200); press clippings (not exceeding $300); a health-service program as authorized by law (5 U. S. C. 150); and payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); $300,000.

Office for Emergency Management

philippine alien property administration

Administrative expenses, Philippine Alien Property Administration: The Philippine Alien Property Administrator is hereby authorized to pay out of any funds or other property or interest vested in him or transferred to him, necessary expenses incurred in carrying out the powers and duties conferred on him pursuant to the Trading With the Enemy Act, as amended (50 U. S. C. App.), and the Philippine Property Act of 1946 (60 Stat. 418): *Provided,* That not to exceed $250,000 shall be available for the current fiscal year for the general administrative expenses of the Philippine Alien Property Administration, including the salary of the Administrator at $10,330 per annum; printing and binding; rent of private or Government-owned space in the District of Columbia; employment outside the United States of persons without regard to the civil service and classification laws including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); personal

services in the District of Columbia and expenses of attendance at meetings of organizations concerned with the work of the agency: *Provided further*, That on or before November 1 of the current fiscal year the Philippine Alien Property Administrator shall make a report to the Appropriations Committees of the Senate and the House of Representatives giving detailed information on all administrative and non-administrative expenses incurred during the next preceding fiscal year, in connection with the activities of the Philippine Alien Property Administration.

INDEPENDENT OFFICES

AMERICAN BATTLE MONUMENTS COMMISSION

Salaries and expenses: For necessary expenses, as authorized by the Act of June 26, 1946 (36 U. S. C. 121, 123–132, 138), including the acquisition of land or interest in land in foreign countries; personal services in the District of Columbia; purchase and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its Territories and possessions at a cost not exceeding $600; travel expenses; rent of office and garage space in foreign countries; the purchase of one passenger motor vehicle; printing, binding, engraving, lithographing, photographing, and typewriting; $644,300: *Provided*, That where station allowance has been authorized by the Department of the Army for officers of the Army serving the Army at cer-

tain foreign stations, the same allowance shall be authorized for officers of the armed forces assigned to the Commission while serving at the same foreign stations, and this appropriation is hereby made available for the payment of such allowance: *Provided further,* That when traveling on business of the Commission, officers of the armed forces serving as members or as secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission.

Construction of memorials and cemeteries: For the permanent design and construction of memorials and cemeteries in foreign countries as authorized by the Act of June 26, 1946 (36 U. S. C. 121, 123–132, 138), and the Act of August 5, 1947 (Public Law 368), $5,276,500, of which $1,276,500 is for payment of obligations incurred under authority provided under this head in the Independent Offices Appropriation Act, 1949, to remain available until expended; and in addition the Commission is authorized to enter into contracts in the amount of $5,000,000 for the purposes of this appropriation.

ATOMIC ENERGY COMMISSION

For expenses necessary to carry out the purposes of the Atomic Energy Act of 1946, including personal services in the District of Columbia and employment of aliens; purchase of land and interests in land; services as authorized by section

15 of the Act of August 2, 1946 (5 U. S. C. 55a) ; purchase of passenger motor vehicles for replacement only; purchase, maintenance, and operation of aircraft; printing and binding; health-service program as authorized by law (5 U. S. C. 150) ; publication and dissemination of atomic information; payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672) ; purchase, repair, and cleaning of uniforms; purchase of newspapers and periodicals (not to exceed $8,000) and travel expenses; official entertainment expenses (not to exceed $5,000) ; and payment of obligations incurred under prior year contract authorizations; $702,930,769, together with the unobligated balances of prior year appropriations to the Atomic Energy Commission, of which amounts $100,000 may be expended for objects of a confidential nature and in any such case the certificate of the Commission as to the amount of the expenditure and that it is deemed inadvisable to specify the nature thereof shall be deemed a sufficient voucher for the sum therein expressed to have been expended; from which appropriation transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred; and in addition to the amount herein provided, the Commission is authorized to contract for the

purposes of this appropriation during the current fiscal year in an amount not exceeding $387,189,628: *Provided,* That no part of this appropriation shall be used to pay the salary of any officer or employee (except such officers and employees whose compensation is fixed by law, and scientific and technical personnel) whose position would be subject to the Classification Act of 1923, as amended, if such Act were applicable to such position, at a rate in excess of the rate payable under such Act for positions of equivalent difficulty or responsibility.

CIVIL SERVICE COMMISSION

Salaries and expenses: For necessary expenses, personal services in the District of Columbia, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents; not to exceed $25,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ; not to exceed $10,000 for medical examinations performed for veterans by private physicians on a fee basis; travel expenses of examiners acting under the direction of the Commission, and expenses of examinations and investigations held in Washington and elsewhere; not to exceed $500 for payment in advance for library membership in societies whose publications are available to members only or to members at a price lower than to the general public; purchase of three

passenger motor vehicles; printing and binding; not to exceed $40,000 for performing the duties imposed upon the Commission by the Act of July 19, 1940 (54 Stat. 767); a health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and not to exceed $5,000 for actuarial services by contract, without regard to section 3709, Revised Statutes, as amended; $14,000,000: *Provided*, That no details from any executive department or independent establishment in the District of Columbia or elsewhere to the Commission's central office in Washington or to any of its regional offices shall be made during the current fiscal year, but this shall not affect the making of details for service as members of the boards of examiners outside the immediate offices of the Commission in Washington or of the regional directors, nor shall it affect the making of details of persons qualified to serve as expert examiners on special subjects: *Provided further*, That the Civil Service Commission shall have power in case of emergency to transfer or detail any of its employees to or from its office or field force: *Provided further*, That members of the Loyalty Review Board in Washington and of the regional loyalty boards in the field may be paid actual transportation expenses, and not to exceed $10 per diem in lieu of subsistence while traveling on official business

away from their homes or regular places of business, and while en route to and from and at the place where their services are to be performed: *Provided further*, That nothing in section 281 or 283 of title 18, United States Code, or in section 190 of the Revised Statutes (5 U. S. C. 99) shall be deemed to apply to any person because of his appointment for part-time or intermittent service as a member of the Loyalty Review Board or a regional loyalty board in the Civil Service Commission.

No part of the appropriations herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, established pursuant to Executive Order Numbered 9358 of July 1, 1943.

No part of appropriations herein shall be used to pay the compensation of officers and employees of the Civil Service Commission who allocate or reallocate supervisory positions in the classified civil service solely on the size of the group, section, bureau, or other organization unit, or on the number of subordinates supervised. References to size of the group, section, bureau, or other organization unit or the number of subordinates supervised may be given effect only to the extent warranted by the work load of such organization unit and then only in combination with other

factors, such as the kind, difficulty, and complexity of work supervised, the degree and scope of responsibility delegated to the supervisor, and the kind, degree, and value of the supervision actually exercised.

PANAMA CANAL CONSTRUCTION ANNUITY FUND

For payment of annuities authorized by the Act of May 29, 1944, as amended (48 U. S. C. 1373a), $5,304,870, to be available immediately.

CIVIL-SERVICE RETIREMENT AND DISABILITY FUND

For financing the liability of the United States, created by the Act approved May 22, 1920, and Acts amendatory thereof (5 U. S. C. chap. 14), $295,553,700, which amount shall be placed to the credit of the "civil-service retirement and disability fund".

CANAL ZONE RETIREMENT AND DISABILITY FUND

For financing the liability of the United States, created by the Act approved March 2, 1931, and Acts amendatory thereof (48 U. S. C. 1371n), $899,100, which amount shall be placed to the credit of the "Canal Zone retirement and disability fund".

ALASKA RAILROAD RETIREMENT AND DISABILITY FUND

For financing the liability of the United States created by the Act approved June 29, 1936 (5 U. S. C. 745), $193,500, which amount shall be placed to the credit of the "Alaska Railroad retirement and disability fund".

DISPLACED PERSONS COMMISSION

Displaced Persons Commission: For expenses necessary to carry out the provisions of the Displaced Persons Act of 1948 (Public Law 774, approved June 25, 1948), including personal services and rents in the District of Columbia; travel expenses without regard to the Standardized Government Travel Regulations, as amended, and the rates of per diem allowances under the subsistence Expense Act of 1926, as amended; hire of passenger motor vehicles; printing and binding, including printing and binding outside the continental limits of the United States without regard to section 11 of the Act of March 1, 1919 (44 U. S. C. 111); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); health service program as authorized by law (5 U. S. C. 150); employment of aliens; payment of rent in foreign countries in advance; and purchases and services abroad without regard to section 3709 of the Revised Statutes; $4,210,000: *Provided,* That allocations may be made from this appropriation by the Commission upon approval by the Director of the Bureau of the Budget to any department, agency, corporation, or independent establishment of the Government for direct expenditure for the purposes of this appropriation, and

any such expenditures may be made under the specific authority herein contained or under the authority governing the activities of the department, agency, corporation, or independent establishment to which amounts are allocated: *Provided further,* That the Commission may enter into agreements with governmental and private agencies and may make payment in advance or by reimbursement for expenses incurred by such agencies in rendering assistance to the Commission in carrying out the purposes of this Act.

FEDERAL COMMUNICATIONS COMMISSION

Salaries and expenses: For necessary expenses in performing the duties imposed by the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1064), the Ship Act of 1910, approved June 24, 1910, as amended (46 U. S. C. 484–487), the International Radiotelegraphic Convention (45 Stat., pt. 2, p. 2760), Executive Order 3513, dated July 9, 1921, as amended under date of June 30, 1934, relating to applications for submarine cable licenses, and the radiotelegraphy provisions of the Convention for Promoting Safety of Life at Sea, ratified by the President July 7, 1936, personal services in the District of Columbia, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents, contract stenographic reporting services, special counsel fees, health service program as authorized by law (5 U. S. C.

150), payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), improvement and care of grounds and repairs to buildings (not to exceed $17,500), purchase of not to exceed fifteen passenger motor vehicles for replacement only, travel expenses (not to exceed $94,000), and printing and binding, $6,525,000: *Provided,* That funds appropriated under this paragraph may be used for application processing and hearings in connection with broadcast activities and for application processing in connection with safety and special services without regard to the apportionment of funds required by the Act of February 27, 1906 (31 U. S. C. 665).

FEDERAL POWER COMMISSION

Salaries and expenses: For expenses necessary for the work of the Commission, not otherwise provided for, as authorized by law, personal services in the District of Columbia, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents; not to exceed $220,000 for travel; health service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); printing and binding; purchase (not to exceed four, for replacement only) and hire of passenger motor vehicles; and not to exceed $500 for newspapers; $3,650,000, of which

amount not to exceed $2,122,000 shall be available for personal services in the District of Columbia exclusive of not to exceed $10,000 for special counsel and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), but at rates not exceeding $50 per diem for individuals.

Flood-control surveys: For expenses necessary for the work of the Commission as authorized by section 4 of the Act of June 28, 1938 (33 U. S. C. 701j), and similar provisions in subsequent Acts, including personal services in the District of Columbia; contract stenographic reporting services, and printing and binding, $325,000, of which amount not to exceed $130,000 shall be available for personal services in the District of Columbia.

FEDERAL TRADE COMMISSION

Salaries and expenses: For necessary expenses, personal services in the District of Columbia, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents; health service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); contract stenographic reporting services; printing and binding; and newspapers not to exceed $700; $3,450,000: *Provided,* That no part of the funds

appropriated herein for the Federal Trade Commission shall be expended upon any investigation hereafter provided by concurrent resolution of the Congress until funds are appropriated subsequently to the enactment of such resolution to finance the cost of such investigation.

FEDERAL WORKS AGENCY

OFFICE OF THE ADMINISTRATOR

Salaries and expenses: For salaries and expenses in the Office of the Administrator in the District of Columbia, including the salaries of an Assistant Administrator and a general counsel at $10,330 each per annum; purchase of newspapers and periodicals (not to exceed $150); health service program as authorized by law (5 U. S. C. 150); preparation, shipment, and installation of photographic displays, exhibits, and other descriptive materials; and travel expenses; $300,000.

Public Works Administration liquidation: The funds made available for "Public Works Administration liquidation" by the Second Deficiency Appropriation Act, 1944, as amended by the First Deficiency Appropriation Act, 1945, the First Deficiency Appropriation Act, 1946, the Third Deficiency Appropriation Act, 1946, the Independent Offices Appropriation Act, 1948, and the Independent Offices Appropriation Act, 1949, are hereby continued available

until June 30, 1950, of which not to exceed $15,500 shall be available for administrative expenses during the current fiscal year.

Servicing of securities (private funds): The Federal Works Administrator is authorized, in connection with the authority placed in him by the Independent Offices Appropriation Act, 1947, and section 6 of the Act of July 31, 1946 (16 U. S. C. 825u), in respect to all bonds and any other obligations under his jurisdiction, issued by public authorities, States, or other public bodies for projects financed by the Public Works Administration, to perform such services in the administration of such bonds and other obligations as he determines to be necessary and in the public interest: *Provided,* That such services shall be at the request of such public agencies: *Provided further,* That such public agencies shall pay to the United States the cost of such services and any funds thus received shall be deposited in a special account or accounts in the Treasury of the United States and shall be available to the Federal Works Administrator solely for defraying the cost of such services.

Appropriations and other funds available to the Federal Works Agency shall be available during the current fiscal year for (a) printing and binding; (b) services as

authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), but at rates for individuals not in excess of $50 per diem; and (c) payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672).

PUBLIC BUILDINGS ADMINISTRATION

For carrying into effect the provisions of the Public Buildings Acts, as provided in section 6 of the Act of May 30, 1908 (31 U. S. C. 683), and for the repair, preservation, and upkeep of all completed public buildings under the control of the Federal Works Agency, the mechanical equipment and the grounds thereof, and sites acquired for buildings, and for the operation of certain completed and occupied buildings under the control of the Federal Works Agency, including furniture and repairs thereof, but exclusive, with respect to operation, of buildings of the United States Coast Guard, of hospitals, quarantine stations, and other Public Health Service buildings, mints, bullion depositories, and assay offices, and buildings operated by the Treasury and Post Office Departments in the District of Columbia:

General administrative expenses: For necessary expenses of the Public Buildings Administration, personal services in the District of Columbia, including the salary of the Commissioner of Public Buildings at $12,000 per annum

so long as the position is held by the present incumbent; ground rent of the Federal buildings at Salamanca, New York, and Columbus, Mississippi, for which payment may be made in advance; $1,763,000, together with the unobligated balance of funds appropriated for the return of departmental functions to the seat of government, contained in the "Independent Offices Appropriation Act, 1948": *Provided,* That the foregoing appropriations shall not be available for the cost of surveys, plaster models, progress photographs, test pits and borings, or mill and shop inspections, but the cost thereof shall be construed to be chargeable against the construction appropriations of the respective projects to which they relate.

Repair, preservation, and equipment, outside the District of Columbia: For the repair, alteration, improvement, preservation, and equipment, not otherwise provided for, of completed Federal buildings, the grounds and approaches thereof, wharves, and piers, together with the necessary dredging adjacent thereto, and care and safeguarding of sites acquired for Federal buildings and of surplus real property, the custody of which is the responsibility of the Public Buildings Administration under the Act of August 27, 1935, pending sale or disposition; the demolition of buildings thereon; the purchase and repair of equipment and fixtures in buildings under the administration of the Federal Works

Agency; and for changes in, maintenance of, and repairs to the pneumatic-tube system in New York City installed under franchise of the city of New York, approved June 29, 1909, and June 11, 1928, and the payment of any obligations arising thereunder in accordance with the provisions of the Acts approved August 5, 1909 (36 Stat. 120), and May 15, 1928 (45 Stat. 533); $10,000,000: *Provided,* That the total expenditures for the fiscal year for the repair and preservation of buildings not reserved by the vendors on sites acquired for buildings or the enlargement of buildings and the installation and repair of the mechanical equipment thereof shall not exceed 20 per centum of the annual rental of such buildings.

Salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area: For expenses necessary for the administration, protection, maintenance, and improvement of public buildings and grounds in the District of Columbia and the area adjacent thereto, maintained and operated by the Public Buildings Administration, including repair, preservation, and equipment of buildings operated by the Treasury and Post Office Departments in the District of Columbia; rent of buildings; demolition of buildings; expenses incident to moving various executive departments and establishments in connection with the assignment, allocation, transfer, and survey of building space;

traveling expenses; the purchase of two passenger motor vehicles for replacement only; furnishings and equipment; arms and ammunition for the guard force; and purchase, repair, and cleaning of uniforms for guards and elevator conductors; $31,140,000: *Provided,* That all furniture now owned by the United States in other public buildings or in buildings rented by the United States shall be used, so far as practicable, whether or not it corresponds with the present regulation plan for furniture.

Salaries and expenses, public buildings and grounds outside the District of Columbia: For expenses necessary for the administration, operation, protection, and maintenance of public buildings and grounds outside the District of Columbia maintained and operated by the Public Buildings Administration, including cleaning, heating, lighting, rental of buildings and equipment, supplies, materials, furnishings and equipment, personal services in the District of Columbia, arms, ammunition, purchase, repair, and cleaning of uniforms for guards and elevator conductors, the purchase of five passenger motor vehicles for replacement only, expenses incident to moving Government agencies in connection with the assignment, allocation, and transfer of building space, and the restoration of leased premises, $23,968,800: *Provided,* That all furniture now owned by the United States in other public buildings or in buildings rented by the United States

shall be used, so far as practicable, whether or not it corresponds with the present regulation plan for furniture.

The provisions of section 322 of the Act of June 30, 1932, as amended (40 U. S. C. 278a), shall not apply to any lease entered into by, or transferred to, the Public Buildings Administration for the housing of activities specifically exempted from the provisions of the said Act, as amended.

Under the appropriations for salaries and expenses, public buildings and grounds in and outside the District of Columbia, and for national industrial reserve, per diem employees may be paid at rates approved by the Commissioner of Public Buildings not exceeding current rates for similar services in the place where such services are employed, and such employees in emergencies may be entered on duty subject to confirmation by the Federal Works Administrator.

The appropriations for salaries and expenses, public buildings and grounds in and outside the District of Columbia, shall be available for communication services serving one or more governmental activities, and for services to motor vehicles, and where such services, together with quarters, maintenance, or other services, are furnished on a reimbursable basis to any governmental activity, such activity shall make payment therefor promptly by check upon the request of the Public Buildings Administration, either in

advance or after the service has been furnished, for deposit to the credit of the applicable appropriation, of all or part of the estimated or actual cost thereof, as the case may be, proper adjustment upon the basis of actual cost to be made for services paid for in advance.

Costs of maintenance, upkeep, and repair paid by Government corporations pursuant to section 306 of the Government Corporations Appropriation Act, 1948, shall be credited to the appropriations of the Public Buildings Administration bearing such costs.

Funds available to the Public Buildings Administration shall also be available for health-service programs as authorized by law (5 U. S. C. 150).

National industrial reserve: For expenses necessary to carry out the duties imposed upon the Federal Works Agency by the Act of July 2, 1948 (Public Law 883), relating to the retention and maintenance of a national industrial reserve, including personal services in the District of Columbia; purchase of not to exceed eight passenger motor vehicles for replacement only; and maintenance, protection, repair, restoration, renovation, and other services by contract or otherwise without regard to section 3709 of the Revised Statutes; $12,500,000: *Provided,* That the War Assets Administration or its successor agency is hereby authorized and directed to transfer to the Public Buildings

Administration, without reimbursement, the land and buildings comprising War Assets Administration disposal center numbered 12, Buffalo, New York, together with all appurtenances thereto: *Provided further*, That the Public Buildings Administration may furnish necessary utilities or services, at cost, to persons, firms or corporations in connection with the occupancy of such plants and the amounts received therefor may be credited as reimbursements to this appropriation.

Geophysical Institute, Alaska: For the establishment of a geophysical institute at the University of Alaska, as authorized by the Act of July 31, 1946 (48 U. S. C. 175, 175a), $875,000, to be immediately available and to remain available until expended, which amount shall be for the payment of obligations incurred under authority provided under this head in the Independent Offices Appropriation Act, 1949.

General Accounting Office Building, District of Columbia: For continuation of construction of a building for the use of the General Accounting Office on square 518, in the District of Columbia, under the provisions of the Act of May 18, 1948 (Public Law 533), to remain available until expended, $5,000,000, which shall be for payment of obligations incurred under authority granted under this head in the Second Deficiency Appropriation Act, 1948.

Federal Courts Building, District of Columbia: For

the continuation of construction of a building for the use of the United States Court of Appeals for the District of Columbia and the District Court of the United States for the District of Columbia, as authorized by the Act of May 14, 1948 (Public Law 527), to remain available until expended, $5,000,000, which shall be for payment of obligations incurred under authority granted under this head in the Second Deficiency Appropriation Act, 1948.

PUBLIC ROADS ADMINISTRATION

General administrative expenses: For the employment of persons and means, including the salary of the Commissioner of Public Roads at $12,000 per annum so long as the position is held by the present incumbent, and including rent, advertising (including advertising in the city of Washington for work to be performed in areas adjacent thereto), purchase of periodicals, purchase of one hundred passenger motor vehicles for replacement only, health service program as authorized by law (5 U. S. C. 150), and the preparation, distribution, and display of exhibits, in the city of Washington and elsewhere for the purpose of conducting research and investigational studies, either independently or in cooperation with State highway departments, or other agencies, including studies of highway administration, legislation, finance, economics, transport, construction, operation, maintenance, utilization, and safety, and of

street and highway traffic control; investigations and experiments in the best methods of road making, especially by the use of local materials; studies of types of mechanical plants and appliances used for road building and maintenance, and of methods of road repair and maintenance suited to the needs of different localities; for maintenance and repairs of experimental highways; for furnishing expert advice on these subjects; for collating, reporting, and illustrating the results of same; and for preparing, publishing, and distributing bulletins and reports; to be paid from any moneys available from the administrative funds provided under the Act of July 11, 1916, as amended (23 U. S. C. 21), or as otherwise provided.

In carrying out the provisions of "An Act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", as amended and supplemented (23 U. S. C. 1–117), none of the money appropriated for the work of the Public Roads Administration during the current fiscal year shall be paid to any State on account of any project on which convict labor shall be employed, except this provision shall not apply to convict labor performed by convicts on parole or probation: *Provided,* That during the current fiscal year, whenever performing authorized engineering or other services in connection with the survey, construction, and main-

tenance, or improvement of roads for other Government agencies, cooperating foreign countries and State cooperating agencies the charge for such services may include depreciation on engineering and road-building equipment used, and the amounts received on account of such charges shall be credited to the appropriation concerned: *Provided further*, That during the current fiscal year the appropriations for the work of the Public Roads Administration shall be available for meeting the expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment stored therein for distribution to projects under the supervision of the Public Roads Administration, and for sale and for distribution to other Government activities, cooperating foreign countries and State cooperating agencies, the cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling) to be reimbursed to appropriations current at the time additional supplies, materials, or equipment are procured, from the appropriation chargeable with the cost or value of such supplies, materials, or equipment: *Provided further*, That the appropriations available to the Public Roads Administration may be used in emergency for medical supplies and services and other assistance necessary for the immediate relief of employees engaged on hazardous work under that Administration.

For all necessary expenses to enable the President to utilize the services of the Public Roads Administration in fulfilling the obligations of the United States under the Convention on the Pan-American Highway Between the United States and Other American Republics, signed at Buenos Aires, December 23, 1936, and proclaimed September 16, 1937 (51 Stat. 152), for the continuation of cooperation with several governments, members of the Pan American Union, in connection with the survey and construction of the Inter-American Highway as provided in public resolution, approved March 4, 1929 (Public Resolution 104), as amended or supplemented, and for performing engineering service in pan-American countries for and upon the request of any agency or governmental corporation of the United States, $100,000 to be derived from the administrative funds provided under the Act of July 11, 1916, as amended or supplemented (23 U. S. C. 21), or as otherwise provided.

Federal-aid postwar highways: For carrying out the provisions of the Federal-Aid Highway Act of 1944 (58 Stat. 838), $373,491,000, together with $1,509,000 of the unobligated balance of funds heretofore appropriated for access roads, to be immediately available and to remain available until expended, which sum is composed of $150,000,000, the remainder of the amount authorized to be

appropriated for the second postwar fiscal year by section 2 of said Act, and $225,000,000, a part of the amount authorized to be appropriated for the third postwar year by said section 2.

Forest highways: For expenses necessary for carrying out the provisions of section 23 of the Federal Highway Act of November 9, 1921, as amended (23 U. S. C. 23, 23a), in accordance with section 3a of the Federal-Aid Highway Act of 1948 (Public Law 834, approved June 28, 1948), to be available immediately and to remain available until expended, $22,500,000, which sum is composed of $2,400,000, the remainder of the amount authorized by section 9 of the Federal-Aid Highway Act of 1944 (58 Stat. 842) to be appropriated for the first postwar fiscal year and $20,100,000, a part of the amount authorized by said section to be appropriated for the second postwar fiscal year; and of which total amount $7,500,000 is for payment of obligations incurred under authority granted in the appropriation for "Forest roads and trails" under the Department of Agriculture in the Second Deficiency Appropriation Act, 1948: *Provided*, That any unexpended balances of amounts appropriated for forest highways under "Forest roads and trails" under the Department of Agriculture which are transferred to the Public Roads Administration shall be consolidated with this appropriation.

Access roads: During the current fiscal year, not to exceed $70,000 of funds remaining unexpended upon completion of access road projects authorized to be constructed under the provisions of the Defense Highway Act of 1941, as amended by the Act of July 2, 1942 (23 U. S. C. 106), shall be available for the maintenance of roads and bridges under the jurisdiction of the Public Roads Administration on Government-owned land in Arlington County, Virginia.

BUREAU OF COMMUNITY FACILITIES

Public works advance planning: The unexpended balances on June 30, 1949, of funds made available for public works advance planning under title V of the War Mobilization and Reconversion Act of 1944 (58 Stat. 791), are hereby continued available for expenditure until June 30, 1950.

Liquidation of public works advance planning: Not to exceed $350,000 of the unobligated balance on June 30, 1949, of the funds made available for public works advance planning under title V of the War Mobilization and Reconversion Act of 1944 (58 Stat. 791) shall be available during the current fiscal year for administrative expenses incident to the liquidation of the activity for which said funds were appropriated, including the objects specified under this head in the Independent Offices Appropriation Act, 1946.

Virgin Islands public works: For an additional amount to carry out the provisions of the Act of December 20, 1944 (58 Stat. 827), $680,000, to be available immediately.

War public works (community facilities) liquidation: For administrative expenses necessary during the current fiscal year for the liquidation of all activities under titles II, III, and IV of the Act of October 14, 1940, as amended (42 U. S. C. 1531–1534, 1541, and 1562), including personal services and rents in the District of Columbia; printing and binding; and a health service program as authorized by law (5 U. S. C. 150); not to exceed $175,000 of the unobligated balances of the funds heretofore appropriated for carrying out the provisions of titles II, III, and IV of the Act of October 14, 1940, as amended (42 U. S. C. 1531–1534, 1541, and 1562).

Veterans' educational facilities: Of the limitation of $4,000,000 on the amount for administrative expenses under this head in the Independent Offices Appropriation Act, 1949, the amount to be used exclusively for payment for accumulated and accrued leave to separated or furloughed employees is decreased from $467,000 to $367,000: *Provided*, That the foregoing limitation of $4,000,000 for administrative expenses is reduced to $3,800,000.

Grants for plan preparation, water pollution control: For grants to States, municipalities, or interstate agencies to aid in financing the cost of action preliminary to the construction of projects for water pollution control as authorized by section 8 (c) of the Water Pollution Control Act of June 30, 1948 (62 Stat. 1155), $400,000.

Administrative expenses, water pollution control: For expenses necessary to carry out the administrative functions of the Federal Works Agency under the provisions of the Water Pollution Control Act of June 30, 1948 (62 Stat. 1155), as authorized by section 8 (e) of said Act, including personal services in the District of Columbia; travel; hire of passenger motor vehicles; health service programs as authorized by law (5 U. S. C. 150); and exchange of books; $100,000.

GENERAL ACCOUNTING OFFICE

Salaries: For personal services in the District of Columbia and elsewhere, $31,743,000.

Miscellaneous expenses: For necessary expenses, including printing and binding and the purchase of one passenger motor vehicle for replacement only, $1,423,800.

Appropriations for the General Accounting Office shall be available for a health service program as authorized by law (5 U. S. C. 150), for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C.

2672), and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a).

HOUSING AND HOME FINANCE AGENCY

OFFICE OF THE ADMINISTRATOR

Salaries and expenses: For necessary expenses of the Office of the Administrator, including a health service program as authorized by law (5 U. S. C. 150), $1,200,000.

PUBLIC HOUSING ADMINISTRATION

Annual contributions: For the payment of annual contributions to public housing agencies in accordance with section 10 of the United States Housing Act of 1937, as amended (42 U. S. C. 1410), $5,000,000: *Provided*, That except for payments required on contracts entered into prior to April 18, 1940, no part of this appropriation shall be available for payment to any public housing agency for expenditure in connection with any low-rent housing project, unless the public housing agency shall have adopted regulations prohibiting as a tenant of any such project by rental or occupancy any person other than a citizen of the United States, but such prohibition shall not be applicable in the case of a family of any serviceman or the family of any veteran who has been discharged (other than dishonorably) from, or the family of any serviceman who died in, the armed forces of the United States within four years prior to the date of application for admission to

such housing: *Provided further,* That no part of this appropriation shall be used to pay any public housing agency any contribution occasioned by payments in lieu of taxes in excess of the amount specified in the original contract between such agency and the Public Housing Administration or its predecessor agencies: *Provided further,* That all expenditures of this appropriation shall be subject to audit and final settlement by the Comptroller General of the United States under the provisions of the Budget and Accounting Act of 1921, as amended.

INDIAN CLAIMS COMMISSION

Salaries and expenses: For expenses necessary to carry out the purposes of the Act of August 13, 1946 (Public Law 726), creating an Indian Claims Commission, including personal services in the District of Columbia and printing and binding, $90,000.

INLAND WATERWAYS CORPORATION

Inland Waterways Corporation: For the purchase of capital stock of the Inland Waterways Corporation (administered under the supervision and direction of the Secretary of Commerce) authorized by section 2 of the Act of June 3, 1924, as amended (49 U. S. C. 152), $1,000,000, to remain available until expended.

INTERSTATE COMMERCE COMMISSION

General expenses: For expenses necessary in performing the functions vested by law in the Commission (49 U. S. C. 1–24, 301–327, 901–923, 1001–1022), except those otherwise specifically provided for in this Act, and for general administration; not to exceed $5,000 for the employment of special counsel; contract stenographic reporting services; personal services in the District of Columbia; newspapers (not to exceed $200); health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); purchase of ten passenger motor vehicles for replacement only; and printing and binding; $9,321,000, of which $35,000 shall be available for valuations of pipe lines, and $3,556,039 shall be available for the work of the Bureau of Motor Carriers: *Provided,* That Joint Board members and cooperating State commissioners may use Government transportation requests when traveling in connection with their duties as such.

Railroad safety: For expenses necessary in performing functions authorized by law (45 U. S. C. 1–15, 17–21, 35–46, 61–64; 49 U. S. C. 26) to insure a maximum of safety in the operation of railroads, including authority to in-

vestigate, test experimentally, and report on the use and need of any appliances or systems intended to promote the safety of railway operation, including those pertaining to block-signal and train-control systems, as authorized by the joint resolution approved June 30, 1906, and the Sundry Civil Act of May 27, 1908 (45 U. S. C. 35–37), and to require carriers by railroad subject to the Act to install automatic train-stop or train-control devices as prescribed by the Commission (49 U. S. C. 26), including the employment of inspectors, engineers, and personal services in the District of Columbia, and payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $958,500.

Locomotive inspection: For expenses necessary in the enforcement of the Act of February 17, 1911, entitled "An Act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in inter-state commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto", as amended (45 U. S. C. 22–34), including personal services in the District of Columbia, and payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $674,500.

INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

Contribution to Interstate Commission on the Potomac River Basin: To enable the Secretary of the Treasury to pay in advance to the Interstate Commission on the Potomac River Basin the Federal contribution toward the expenses of the Commission during the current fiscal year in the administration of its business in the conservancy district established pursuant to the Act of July 11, 1940 (54 Stat. 748), $5,000.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Salaries and expenses: For necessary expenses of the Committee, including the salary of a chairman at $15,000 per annum, to be appointed for a term of four years by the President, by and with the advice and consent of the Senate; contracts, without regard to section 3709, Revised Statutes, as amended, for the making of special investigations and reports and for engineering, drafting and computing services; equipment, maintenance, and operation of the Langley Aeronautical Laboratory, the Ames Aeronautical Laboratory, and the Lewis Flight Propulsion Laboratory; purchase and maintenance of cafeteria

equipment; maintenance and operation of aircraft; purchase of eight passenger motor vehicles for replacement only; printing and binding; personal services in the District of Columbia; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); including $2,500 for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and a health service program for employees as authorized by law (5 U. S. C. 150); in all, $38,710,000: *Provided,* That statutory provisions prohibiting the payment of compensation to aliens shall not apply to any person whose employment by the Committee shall be determined by the Chairman thereof to be necessary: *Provided further,* That aircraft and parts, equipment, and supplies may be transferred to the Committee by the Air Force, Army, and Navy without reimbursement.

Construction and equipment: For construction and equipment at laboratories and research stations of the Committee, to be available until June 30 of the next succeeding year, $10,000,000, of which $7,277,200 shall be available for payments under contracts entered into pursuant to the contract authority under this head in the Independent Offices Appropriation Act, 1949: *Provided,* That in addition, the

Committee may enter into contracts for the purposes of this appropriation in an amount not in excess of $10,000,000.

NATIONAL ARCHIVES

Salaries and expenses: For necessary expenses of the Archivist and the National Archives; including personal services in the District of Columbia; scientific, technical, first-aid, protective, and other apparatus and materials for the arrangement, titling, scoring, repair, processing, editing, duplication, reproduction, and authentication of photographic and other records (including motion-picture and other films and sound recordings) in the custody of the Archivist; printing and binding; contract stenographic reporting services; travel expenses; payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and a health-service program as authorized by law (5 U. S. C. 150); $1,350,000.

NATIONAL CAPITAL HOUSING AUTHORITY

Maintenance and operation of properties: For the maintenance and operation of properties under title I of the District of Columbia Alley Dwelling Authority Act, $31,410: *Provided,* That all receipts derived from sales, leases, or other sources shall be covered into the Treasury of the United States monthly.

NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Land acquisition, National Capital and metropolitan area: For necessary expenses for the National Capital Park and Planning Commission in connection with the acquisition of land for the park, parkway, and playground system of the National Capital, as authorized by the Act of May 29, 1930 (46 Stat. 482), and amendment of August 8, 1946 (60 Stat. 960); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), and real estate appraisers, by contract or otherwise without regard to the civil service and classification laws and section 3709, Revised Statutes, at rates of pay or fees not to exceed those usual for similar services; purchase of options and other costs incident to the acquisition of land; $695,000, to remain available until expended, $498,000 of said sum to be used for carrying out the provisions of section 1 (b) of said Act and $197,000 for carrying out the provisions of section 4 of said Act: *Provided,* That not exceeding $25,000 of funds available during the current fiscal year may be used for personal services.

District of Columbia redevelopment project planning: For printing and binding of a comprehensive plan prepared in accordance with the Act of August 2, 1946 (60 Stat. 790), $20,000.

PHILIPPINE WAR DAMAGE COMMISSION

Philippine War Damage Commission: For carrying out the provisions of title I of the Philippine Rehabilitation Act of 1946, $184,800,000, to remain available until April 30, 1951, of which not to exceed $3,502,554 shall be for necessary expenses of the Philippine War Damage Commission for the current fiscal year, including personal services in the District of Columbia; purchase of newspapers and periodicals not to exceed $200; housing of American employees by rental or lease and necessary repairs and alterations to and maintenance of quarters, without regard to section 322 of the Act of June 30, 1932, as amended (40 U. S. C. 278a); printing and binding without regard to section 11 of the Act of March 1, 1919 (44 U. S. C. 111); and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided,* That the provisions of the Act of June 29, 1936 (46 U. S. C. 1241), shall not apply to any travel or transportation of effects payable from this appropriation: *Provided further,* That no payment shall be made under the provisions of such title of such Act to any person who, by a civil or military court having jurisdiction, has been found guilty of collaborating with the enemy or of any act involving disloyalty to the United States or the Republic of the Philippines: *Provided further,* That no part of this appropriation shall be available

for engaging in any phase of activity or for undertaking any phase of activity authorized by the Philippine Rehabilitation Act of 1946 which would result in obligating the Government of the United States in any sense or respect to the future payment of amounts in excess of the amounts authorized to be appropriated in such Act: *Provided further,* That $20,000,000 of this appropriation shall be available immediately: *Provided further,* That the limitation under this head in the Independent Offices Appropriation Act, 1949, on the amount available for necessary expenses, is increased from "$2,907,991" to "$2,979,991": *Provided further,* That the limitation imposed by section 104 of the Independent Offices Appropriation Act, 1949, on the amount available for travel expenses under this head for the fiscal year 1949, is increased from "$227,720" to "$299,720".

SECURITIES AND EXCHANGE COMMISSION

Salaries and expenses: For necessary expenses, personal services in the District of Columbia, including salaries of the commissioners at $12,000 each per annum so long as the positions are held by the present incumbents; health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); not to exceed $1,150 for the purchase of newspapers; printing and binding; and

services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); $5,750,000.

SELECTIVE SERVICE SYSTEM

Salaries and expenses: For expenses necessary for the operation and maintenance of the Selective Service System, as authorized by title I of the Selective Service Act of 1948 (62 Stat. 604) including personal services in the District of Columbia; printing and binding; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); purchase of typewriters; not to exceed $500 for the purchase of newspapers and periodicals; and a health-service program as authorized by law (5 U. S. C. 150); $9,000,000.

SMITHSONIAN INSTITUTION

Salaries and expenses, Smithsonian Institution: For all necessary expenses for the preservation, exhibition, and increase of collections from the surveying and exploring expeditions of the Government and from other sources; for the system of international exchanges between the United States and foreign countries; for anthropological researches among the American Indians and the natives of Hawaii and the excavation and preservation of archeological remains; for maintenance of the Astrophysical Observatory and making necessary observations in high altitudes; for the administra-

tion of the National Collection of Fine Arts; for the administration, and for the construction and maintenance, of laboratory and other facilities on Barro Colorado Island, Canal Zone, under the provisions of the Act of July 2, 1940, as amended by the provisions of Reorganization Plan Numbered 3 of 1946; for the maintenance and administration of a national air museum as authorized by the Act of August 12, 1946 (20 U. S. C. 77); including personal services in the District of Columbia and not to exceed $35,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); traveling expenses; payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); printing and binding, including printing the report of the American Historical Association; purchase, repair, and cleaning of uniforms for guards and elevator conductors; repairs and alterations of buildings and approaches; and preparation of manuscripts, drawings, and illustrations for publications; $2,300,000.

Salaries and expenses, National Gallery of Art: For the upkeep and operation of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including personal services in the District

of Columbia; health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); traveling expenses; not to exceed $250 for payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards and elevator operators; printing and binding; purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance and repair of buildings, approaches, and grounds; $1,057,700: *Provided,* That section 3709 of the Revised Statutes, or the Classification Act of 1923, as amended, shall not apply to the restoration and repair of works of art for the National Gallery of Art, the cost of which shall not exceed $15,000.

TARIFF COMMISSION

Salaries and expenses: For necessary expenses of the Tariff Commission, including personal services in the District of Columbia, printing and binding, subscriptions to newspapers not to exceed $250, health-service program as authorized by law (5 U. S. C. 150), and contract stenographic reporting services as authorized by section 15 of the Act of Au-

gust 2, 1946 (5 U. S. C. 55a), $1,200,000: *Provided,* That no part of this appropriation shall be used to pay the salary of any member of the Tariff Commission who shall hereafter participate in any proceedings under sections 336, 337, and 338 of the Tariff Act of 1930, wherein he or any member of his family has any special, direct, and pecuniary interest, or in which he has acted as attorney or special representative.

TENNESSEE VALLEY AUTHORITY

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U. S. C., ch. 12A), including purchase (not to exceed one) and hire, maintenance, repair, and operation of aircraft; the purchase (not to exceed one hundred and twelve for replacement only) and hire of passenger motor vehicles, $49,359,150 to remain available until expended, and to be available for the payment of obligations chargeable against prior appropriations.

THE TAX COURT OF THE UNITED STATES

Salaries and expenses: For necessary expenses, including printing and binding and contract stenographic reporting services, $800,000: *Provided,* That travel expenses of the judges shall be paid upon the written certificate of the judge.

UNITED STATES MARITIME COMMISSION

Salaries and expenses: For expenses necessary for carrying into effect the Merchant Marine Act, 1936, and other laws administered by the United States Maritime Commission, $62,380,424, within limitations as follows:

Administrative expenses, including personal services in the District of Columbia; printing and binding; not to exceed $2,000 for newspapers and periodicals; not to exceed $17,700 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and not to exceed $1,125 for entertainment of officials of other countries when specifically authorized by the Chairman; in all, not to exceed $8,950,142, together with not to exceed $586,648 of the unobligated balance in the Federal ship mortgage insurance fund, revolving fund: *Provided*, That the Maritime Commission is authorized to dispense with the administrative audit of agents' accounts covering voyages beginning prior to April 1, 1949;

New ship construction, including reconditioning and betterment, as authorized by title V of the Merchant Marine Act, 1936 (except for construction of two prototype vessels under title VII of said Act), $26,875,000, of which $12,000,000 is for payment of obligations incurred under au-

thority granted under this head in the Supplemental Independent Offices Appropriation Act, 1949, to enter into contracts for new ship construction in an amount not to exceed $75,000,000; and, in addition, the Commission is authorized to enter into contracts for new ship construction in an amount not to exceed $70,125,000: *Provided,* That not to exceed $104,000,000 of the funds and contract authority made available for new ship construction, including reconditioning and betterment, in the Supplemental Independent Offices Appropriation Act, 1949, shall continue to be available until September 30, 1949: *Provided further,* That any funds and contract authority available for new ship construction under the limitation herein, and any funds and contract authority available for new ship construction in the Supplemental Independent Offices Appropriation Act, 1949, shall be available during the fiscal year 1950 in such amounts as may be necessary, in the discretion of the Commissioners, for use in acquisition and completion of the vessels Mariposa and Monterey, or either of them, as authorized in the said Supplemental Independent Offices Appropriation Act, 1949;

Maintenance of shipyard facilities, $409,700;

Operation of warehouses, $461,550;

Operating-differential subsidies, $18,218,382: *Provided,* That to the extent that the operating-differential subsidy

accrual (computed on the basis of parity) is represented on the operator's books by a contingent accounts receivable item against the Commission as a partial or complete offset to the recapture accrual, the operator (1) shall be excused from making deposits in the Special Reserve Fund and, (2) as to the amount of such earnings the deposit of which is so excused, shall be entitled to the same tax treatment as though it had been deposited in said Special Reserve Fund. To the extent that any amount paid to the operator by the Commission reduces the balance in the operator's contingent receivable account against the Commission, such amount, unless it is forthwith deposited in the fund, shall be considered as withdrawn under section 607 (h) of the Merchant Marine Act, 1936, as amended;

Reserve fleet expense, $6,534,800;

Maintenance and operation of terminals, $510,850;

Miscellaneous expenses, including payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $420,000, of which $250,000 shall be available exclusively for liquidation of liens or claims which may take precedence over the Government's preferred mortgage on vessels.

Maritime training: For training personnel for the manning of the merchant marine (including operation of training stations at Kings Point, New York; Sheepshead

Bay, New York; Pass Christian, Mississippi; Saint Petersburg, Florida; Alameda, California, and the United States Maritime Service Institute), including not to exceed $1,682,500 for personal services (exclusive of pay of cadet midshipmen and other trainees) in the District of Columbia and elsewhere; printing and binding; health-service program as authorized by law (5 U. S. C. 150); not to exceed $2,500 for contingencies for the Superintendent, United States Merchant Marine Academy, to be expended in his discretion; and not to exceed $60,000 for transfer to applicable appropriations of the Public Health Service for services rendered the Commission, $3,151,050.

State marine schools: To reimburse the State of California, $50,000; the State of Maine, $50,000; the State of Massachusetts, $50,000; and the State of New York, $50,000; for expenses incurred in the maintenance and support of marine schools in such States as provided in the Act authorizing the establishment of marine schools, and so forth, approved March 4, 1911, as amended (34 U. S. C. 1121–1123); and for the maintenance and repair of vessels loaned by the United States to the said States for use in connection with such State marine schools, $170,000; in all, $370,000.

War Shipping Administration liquidation: Not to exceed $15,000,000 of the unexpended balance of the

appropriation to the Secretary of the Treasury in the Second Supplemental Appropriation Act, 1948, for liquidation of obligations found by the General Accounting Office to have been properly incurred against funds of the War Shipping Administration prior to January 1, 1947, is hereby continued available during the current fiscal year.

Notwithstanding any other provision of this Act, the Commission is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Commission, and payments received by the Commission for utilities, services, and repairs so furnished or made shall be credited to the appropriation charged with the cost thereof: *Provided,* That rental payments under any such lease, contract, or occupancy on account of items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

The United States Maritime Commission shall not incur any obligations during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act: *Provided,* That nothing contained herein and in the Independent Offices Appropriation Act, 1948, shall be construed to affect the authority of the Commission pursuant to the provisions of

section 603 (a) of the Merchant Marine Act, 1936, as amended, (1) to grant operating differential subsidies on a long-term basis and (2) to obligate the United States to make future payments in accordance with the terms of such operating-differential subsidy contracts, and all receipts which otherwise would be deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts.

VETERANS' ADMINISTRATION

Administration, medical, hospital, and domiciliary services: For necessary expenses of the Veterans' Administration, including maintenance and operation of medical, hospital, and domiciliary services, in carrying out the functions pursuant to all laws for which the Administration is charged with administering, including personal services in the District of Columbia; health-service program as authorized by law (5 U. S. C. 150); purchase of one hundred and thirty-one passenger motor vehicles for replacement only; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); maintenance and operation of farms; recreational articles and facilities at institutions maintained by the Veterans' Administration; expenses incidental to securing employment for war veterans; funeral, burial, and other expenses incidental thereto for beneficiaries of the Veterans' Administration except burial awards authorized

by Veterans' Administration Regulation Numbered 9 (a), as amended; aid to State or Territorial homes in conformity with the Act approved August 27, 1888, as amended (24 U. S. C. 134), for the support of veterans eligible for admission to Veterans' Administration facilities for hospital or domiciliary care; not to exceed $5,600 for newspapers and periodicals; and not to exceed $56,800 for the preparation, shipment, installation, and display of exhibits, photographic displays, moving pictures, and other visual educational information and descriptive material, including the purchase or rental of equipment; $820,673,940, from which allotments and transfers may be made to the Federal Security Agency (Public Health Service), the Army, Navy, and Interior Departments, for disbursement by them under the various headings of their applicable appropriations, of such amounts as are necessary for the care and treatment of beneficiaries of the Veterans' Administration: *Provided*, That no part of this appropriation shall be used in pay in excess of one hundred persons engaged in public relations work: *Provided further*, That no part of this appropriation shall be expended for the purchase of any site for or toward the construction of any new hospital or home, or for the purchase of any hospital or home; and not more than $3,254,900 of this appropriation may be used to repair, alter, improve, or provide facilities in the several hospitals

and homes under the jurisdiction of the Veterans' Administration either by contract or by the hire of temporary employees and the purchase of materials: *Provided further,* That hereafter the Administrator shall assign as his representatives, as provided for in the last sentence of section 1100 (a) of the Servicemen's Readjustment Act of 1944 (38 U. S. C. 696f), only such numbers of regional or sectional representatives as he finds necessary to provide for the processing of readjustment allowances in an efficient and economical manner, and any such representative may be assigned to one or more States (without regard to residence in any State to which assigned) as may be necessary to carry out the intent of this proviso.

Tort claims: For payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $15,000.

Pensions: For the payment of compensation, pensions, gratuities, and allowances (including subsistence allowances authorized by part VII of Veterans Regulation 1a, as amended), authorized under any Act of Congress, or regulation of the President based thereon, including emergency officers' retirement pay and annuities, the administration of which is now or may hereafter be placed in the Veterans' Administration, and for the payment of adjusted-service credits as provided in sections 401 and 601 of the Act of

May 19, 1924, as amended (38 U. S. C. 631 and 661), $1,998,801,000, to be immediately available and to remain available until expended.

Readjustment benefits: For the payment of benefits to or on behalf of veterans as authorized by titles II, III, and V, of the Servicemen's Readjustment Act of 1944, $2,197,503,000, to be immediately available and to remain available until expended: *Provided*, That no part of this appropriation for education and training under title II of the Servicemen's Readjustment Act, as amended, shall be expended for tuition, fees, or other charges, or for subsistence allowance, for any course elected or commenced by a veteran on or subsequent to July 1, 1948, and which is determined by the Administrator to be avocational or recreational in character. For the purposes of this proviso, education or training for the purpose of teaching a veteran to fly or related aviation courses in connection with his present or contemplated business or occupation shall not be considered avocational or recreational.

Military and naval insurance: For military and naval insurance, $3,735,000, to be immediately available and to remain available until expended.

Hospital and domiciliary facilities: The authority under this head in the Third Urgent Deficiency Appropriation Act, 1946, the Independent Offices Appropriation Act,

1948, and the Supplemental Independent Offices Appropriation Act, 1949, to incur obligations for the purposes specified in those Acts, is hereby extended to July 1, 1951: *Provided,* That not to exceed 6.7 per centum of the foregoing contract authorizations shall be available for the employment in the District of Columbia and in the field of all necessary technical and clerical personnel for the preparation of plans and specifications for the projects as approved hereunder and in the supervision of the execution thereof, and for all travel expenses, field office equipment, and supplies in connection therewith, except that whenever the Veterans' Administration finds it necessary in the construction of any project to employ other Government agencies or persons outside the Federal service to perform such services not to exceed 10 per centum of the cost of such projects may be expended for such services: *Provided further,* That not to exceed $10,000,000 of the foregoing contract authorizations shall be obligated for portable initial equipment, including the purchase of one hundred and fifty-one passenger motor vehicles.

National service life insurance: For the payment of benefits and for transfer to the national service life insurance fund, in accordance with the National Service Life Insurance Act of 1940, as amended, $49,374,000, to be immediately available and to remain available until expended: *Provided,*

That certain premiums shall be credited to this appropriation as provided by the Act.

Veterans' miscellaneous benefits: For the payment of burial awards authorized by Veterans' Administration Regulation Numbered 9 (a), as amended, and for supplies, equipment, and tuition authorized by part VII and payments authorized by part IX of Veterans' Administration Regulation Numbered 1 (a), as amended, $75,330,000, to remain available until expended.

No part of the foregoing appropriations shall be available for hospitalization or examination of any persons except beneficiaries entitled under the laws bestowing such benefits to veterans, unless reimbursement of cost is made to the appropriation at such rates as may be fixed by the Administrator of Veterans' Affairs.

INDEPENDENT OFFICES—GENERAL PROVISIONS

SEC. 102. No part of any appropriation contained in this title shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided,* That for the purposes hereof an affidavit

shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further,* That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this title shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 103. Where appropriations in this title are expendable for travel expenses of employees and no specific limita-

tion has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth therefor in the budget estimates submitted for the appropriations.

SEC. 104. Where appropriations in this title are expendable for the purchase of newspapers and periodicals and no specific limitation has been placed thereon, the expenditures therefor under each such appropriation may not exceed the amount of $50: *Provided*, That this limitation shall not apply to the purchase of scientific, technical, trade, or traffic periodicals necessary in connection with the performance of the authorized functions of the agencies for which funds are herein provided.

SEC. 105. No part of any appropriation contained in this title shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the armed forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Civil Service Commission as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 106. Appropriations contained in this title, available for expenses of travel, shall be available, when specifically authorized by the head of the activity or establishment concerned, for expenses of attendance at meetings of organizations concerned with the function or activity for which the appropriation concerned is made; and shall be available for the examination of estimates of appropriations and activities in the field.

SEC. 107. No part of any appropriation or fund contained in this title shall be available for installing or maintaining systems for administrative appropriation, fund, or inventory accounting except such systems as are prescribed or approved by the Comptroller General: *Provided,* That all agencies, for whose activities provision is made in this title, shall hereafter maintain fiscal-accounting control of all inventories of supplies, materials, or equipment which may be owned by or be in the custody of such agencies: *Provided further,* That this section shall not be applicable to corporations or agencies subject to the Government Corporation Control Act, as amended.

SEC. 108. Where provision is made in this title specifically setting forth the salary of any officer or employee, such salary rate shall be effective immediately upon the passage of this Act and shall not prevent such officer or employee

from receiving salary at a higher rate under specific legislation enacted by the First Session of the Eighty-first Congress.

SEC. 109. No part of any appropriations made available by the provisions of this title shall be used for the purchase or sale of real estate or for the purpose of establishing new offices outside the District of Columbia (with the exception of the Tennessee Valley Authority), without the prior approval of the Subcommittees on Independent Offices Appropriations of the Committees on Appropriations of the Senate and the House of Representatives.

SEC. 110. All agencies provided for in this title shall furnish an administrative break-down of the costs of personnel and other obligations in the District of Columbia and in the field in such detail as the Subcommittees on Independent Offices Appropriations of the Committees on Appropriations of the Senate and the House of Representatives may direct.

SEC. 111. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and twenty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided,* That for purposes of this section em-

ployees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

TITLE II

CORPORATIONS

The following corporations and agencies, respectively, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Budget for the fiscal year 1950 for each such corporation or agency, except as hereinafter provided:

HOUSING AND HOME FINANCE AGENCY

Home Loan Bank Board: Not to exceed a total of $427,500 to be derived from the special deposit account established under the provisions under the head "Federal

Home Loan Bank Administration" in the Independent Offices Appropriation Act, 1944, and from receipts of the Federal Home Loan Bank Administration, the Federal Home Loan Bank Board, or the Home Loan Bank Board for the current fiscal year and prior fiscal years, shall be available during the current fiscal year for administrative expenses of the Home Loan Bank Board, including health-service program as authorized by law (5 U. S. C. 150), and the Board may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Federal Savings and Loan Insurance Corporation, the Home Owners' Loan Corporation, and other agencies of the Government: *Provided*, That all necessary expenses in connection with the conservatorship of institutions insured by the Federal Savings and Loan Insurance Corporation and all necessary expenses (including services performed on a contract or fee basis, but not including other personal services) in connection with the handling, including the purchase, sale, and exchange, of securities on behalf of Federal home-loan banks, and the sale, issuance, and retirement of, or payment of interest on, debentures or bonds, under the Federal Home Loan Bank Act, as amended, shall be considered as nonadministrative

expenses for the purposes hereof: *Provided further,* That notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of the Board shall be incurred, allowed, and paid in accordance with the provisions of the Federal Home Loan Bank Act of July 22, 1932, as amended (12 U. S. C. 1421–1449).

Federal Savings and Loan Insurance Corporation: Not to exceed $617,500 shall be available for administrative expenses, including health-service program as authorized by law (5 U. S. C. 150), which shall be on an accrual basis and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, expenses in connection with liquidation of insured institutions, liquidation or handling of assets of or derived from insured institutions, payment of insurance, and action for or toward the avoidance, termination, or minimizing of losses in the case of specific insured institutions, and legal fees and expenses, and said Corporation may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Home Loan Bank Board, the Home Owners' Loan Corporation, and other agencies of the Government: *Provided,* That notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations

of said Corporation shall be incurred, allowed, and paid in accordance with title IV of the Act of June 27, 1934, as amended (12 U. S. C. 1724–1730).

Home Owners' Loan Corporation: Not to exceed $1,823,250 shall be available for administive expenses, including health-service program as authorized by law (5 U. S. C. 150), which shall be on an accrual basis and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, expenses (including services performed on a force account, contract, or fee basis, but not including other personal services) in connection with the acquisition, protection, operation, maintenance, improvement, or disposition of real or personal property belonging to said Corporation or in which it has an interest, and legal fees and expenses, and said Corporation may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and other agencies of the Government: *Provided*, That, notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of said Corporation shall be incurred, allowed, and paid in accordance with the Home Owners' Loan Act of 1933, as amended (12 U. S. C. 1461–1468).

Federal Housing Administration: In addition to the amounts available by or pursuant to law (which shall be transferred to this authorization) for the administrative expenses of the Federal Housing Administration in carrying out duties imposed by or pursuant to law, not to exceed $21,860,750 of the various funds of the Federal Housing Administration as follows: (1) the mutual mortgage insurance fund; (2) the housing insurance fund; (3) the account in the Treasury comprised of funds derived from premiums collected under authority of section 2 (f), title I of the National Housing Act, as amended (12 U. S. C. 1701); (4) the war housing insurance fund; and (5) the housing investment insurance fund shall be available for expenditure, in accordance with the provisions of said Act for the administrative expenses of the Federal Housing Administration, including purchase of not to exceed one passenger motor vehicle, for replacement only; not to exceed $1,500 for periodicals and newspapers; not to exceed $1,500 for contract actuarial services; and health-service program as authorized by law (5 U. S. C. 150): *Provided,* That necessary expenses of the Administration (including services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, protection, completion, operation, maintenance, improvement,

or disposition of real or personal property of the Administration acquired under authority of titles I, II, VI, and VII of said National Housing Act, shall be considered as nonadministrative for the purposes hereof: *Provided further,* That, except as herein otherwise provided, the administrative expenses and other obligations, including nonadministrative expenses, of the Administration shall be incurred, allowed, and paid in accordance with the provisions of said Act of June 27, 1934, as amended (12 U. S. C. 1701).

Public Housing Administration: Of the amounts available by or pursuant to law for the administrative expenses of the Public Housing Administration in carrying out duties imposed by or pursuant to law including not to exceed $2,329,550 of the funds available for administrative expenses for the United States Housing Act program, not to exceed $8,054,600 shall be available for such expenses, including purchase of not to exceed five passenger motor vehicles, for replacement only; and a health-service program as authorized by law (5 U. S. C. 150) : *Provided,* That necessary expenses of providing representatives of the Administration at the sites of non-Federal projects in connection with the construction of such non-Federal projects by public housing agencies with the aid of the Administration, shall be compensated by such agencies by the payment of fixed fees which in the aggregate

in relation to the development costs of such projects will cover the costs of rendering such services, and expenditures by the Administration for such purpose shall be considered nonadministrative expenses, and funds received from such payments may be used only for the payment of necessary expenses of providing representatives of the Administration at the sites of non-Federal projects or for administrative expenses of the Administration not in excess of the amount authorized by the Congress: *Provided further*, That the Administrator of the Housing and Home Finance Agency may relinquish and transfer, pursuant to the same general terms and conditions specified in subsections 505 (a) and (b) of the Act of October 14, 1940, as added by the Act of June 28, 1948 (Public Law 796), title to temporary housing provided for certain veterans and their families under title V of said Act of October 14, 1940, as amended, to any State, county, city, or other public body: *Provided further*, That any application for such relinquishment and transfer shall be filed with the Administrator within one hundred and twenty days after the approval of this Act.

Liquidation of resettlement projects: Not to exceed $19,800 of the receipts derived from the operation of the projects transferred under section 4 (b) of Reorganization Plan Numbered 3 of 1947 shall be available for necessary expenses in connection with and to facilitate disposition of

the suburban resettlement projects known as Greenbelt, Greendale, and Greenhills including services in accordance with section 15 of the Act of August 2, 1946 (5 U. S. C. 55a).

INLAND WATERWAYS CORPORATION

Inland Waterways Corporation (administered under the supervision and direction of the Secretary of Commerce): Not to exceed $522,000 shall be available for administrative expenses, to be determined in the manner set forth under the title "General expenses" in the Uniform System of Accounts for Carriers by Water of the Interstate Commerce Commission (effective January 1, 1947): *Provided,* That no funds shall be used to pay compensation of employees normally subject to the Classification Act of 1923, as amended, at rates in excess of rates fixed for similar services under the provisions of the Classification Act, as amended, nor to pay the compensation of vessel employees and such terminal and other employees as are not covered by the Clasification Act, at rates in excess of rates prevailing in the river transportation industry in the area (including prevailing leave allowances for vessel employees, but the granting of such allowances shall not be construed as establishing a different leave system within the meaning of that term as used in section 3 of the Act of December 21, 1944 (5 U. S. C. 61d)).

TENNESSEE VALLEY AUTHORITY

Not to exceed $3,699,000 of the funds available to the Tennessee Valley Authority, shall be available during the current fiscal year for all administrative and general expenses of the Corporation, which expenses shall be inclusive of costs of all administrative offices and other activities representing management and other functions serving the programs and projects of the Corporation in general.

CORPORATIONS—GENERAL PROVISIONS

SEC. 202. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided,* That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Gov-

ernment of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further,* That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any funds available to any corporation or agency included in this title shall be guilty of a felony, and upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing laws.

SEC. 203. No part of the funds of, or available for expenditure by, any corporation or agency included in this

title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and twenty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil service examiners; wage administration; and processing, recording, and reporting.

TITLE III—GENERAL PROVISIONS

DEPARTMENTS AND AGENCIES

SEC. 301. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year, in accordance with section 16 of the Act of August 2, 1946 (5 U. S. C. 78), for the purchase of any passenger motor vehicle (exclusive of busses, ambulances, and station wagons), is hereby fixed at $1,400.

SEC. 302. Unless otherwise specified and during the

current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act who, being eligible for citizenship, had filed a declaration of intention to become a citizen of the United States prior to such date, or (3) is a person who owes allegiance to the United States: *Provided,* That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further,* That any person making a false affidavit shall be guilty of a felony and, upon conviction, shall be fined not more than $4,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further,* That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government.

This section shall not apply to citizens of the Republic of the Philippines or to nationals of those countries allied with the United States in the prosecution of the war.

SEC. 303. Appropriations for the executive departments and independent establishments for the current fiscal year available for travel expenses shall be available for the payment of per diem allowances in lieu of subsistence expenses without regard to the Subsistence Expense Act of 1926, as amended (5 U. S. C. 821–833), to civilian officers and employees of such departments and establishments while traveling on official business outside the continental limits of the United States and away from their designated posts of duty: *Provided,* That the amount of such allowances shall be determined by the head of the department or independent establishment concerned or by such official as he may designate for the purpose, but shall, in no case, notwithstanding any other provision of law, exceed the maximum established by regulations prescribed by the President for the locality in which the travel is performed.

SEC. 304. Appropriations of the executive departments and independent establishments for the current fiscal year, available for expenses of travel or for the expenses of the activity concerned, are hereby made available for living quarters allowances in accordance with the Act of

June 26, 1930 (5 U. S. C. 118a), and regulations prescribed thereunder, and cost-of-living allowances similar to those allowed under section 901 (2) of the Foreign Service Act of 1946, in accordance with and to the extent prescribed by regulations of the President, for all civilian officers and employees of the Government permanently stationed in foreign countries: *Provided,* That the availability of appropriations made to the Department of State for carrying out the provisions of the Foreign Service Act of 1946 shall not be affected hereby.

SEC. 305. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve of the nomination of said person.

SEC. 306. No part of any appropriation contained in this or any other Act shall be used to pay in excess of $4 per volume for the current and future volumes of the United States Code Annotated and such volumes shall be purchased on condition and with the understanding that latest published cumulative annual pocket parts issued prior to the date of purchase shall be furnished free of charge, or in excess of $4.25 per volume for the current or future volumes of the Lifetime Federal Digest.

CORPORATIONS

SEC. 307. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to the Government Corporation Control Act, as amended (31 U. S. C. 841), shall be available, in addition to objects for which such funds are otherwise available, for personal services and rent in the District of Columbia; printing and binding; examination of budgets and estimates of appropriations in the field; travel expenses in accordance with the Standardized Government Travel Regulations, the Subsistence Expense Act of 1926, as amended (except as to per diem rates outside continental United States) and the Act of February 14, 1931, as amended (5 U. S. C. 73a); services in accordance with section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and the objects specified in the sections of this title under the head "Departments and agencies", all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

SEC. 308. No part of any funds of or available to any wholly owned Government corporation shall be used for the

purchase or construction, or in making loans for the purchase or construction of any office building at the seat of government primarily for occupancy by any department or agency of the United States Government or by any corporation owned by the United States Government.

SEC. 309. Funds of corporations and agencies, subject to the Government Corporation Control Act, as amended, covered by the provisions of this or any other Act shall be available during the current fiscal year for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672).

SEC. 310. Any funds of, or available for expenditure by, any corporation or agency subject to the Government Corporation Control Act, as amended, which are not subject to audit by the General Accounting Office under the provisions of that Act or any other law, shall be accounted for and audited in accordance with the Budget and Accounting Act, as amended, and no such fund shall be obligated or expended unless and until an appropriate appropriation account shall have been established therefor pursuant to an appropriation warrant or a covering warrant: *Provided,* That this section shall not be so construed as to modify or repeal any provision of any other law respecting warranting, accounting for, and auditing of funds.

SEC. 311. After June 30, 1949, the corporations or

agencies subject to the Government Corporation Control Act, as amended (31 U. S. C. 841), are authorized, with the approval of the Comptroller General, to consolidate, notwithstanding the provisions of any other law, into one or more accounts for banking and checking purposes all cash, including amounts appropriated, from whatever source derived: *Provided,* That such cash, including amounts appropriated, of such corporations or agencies shall be expended in accordance with the applicable terms of their respective enabling acts and any other acts applicable to their transactions.

TITLE IV—REDUCTIONS IN APPROPRIATIONS

Amounts available from appropriations and other funds are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this Act, except as otherwise indicated:

FUNDS APPROPRIATED TO THE PRESIDENT

Payments, Armed Forces Leave Act, 1946: $135,000,000.

Overtime, leave, and holiday compensation: The balance remaining unobligated on June 30, 1949, such balance to be carried to the surplus fund and covered into the Treasury immediately thereafter.

FEDERAL WORKS AGENCY

Office of the Administrator: Public works advance planning under title V of the War Mobilization and Reconversion Act of 1944, $4,164,000.

VETERANS' ADMINISTRATION

Administrative facilities: $1,250,000.

Vocational Rehabilitation Revolving Fund: $500,000.

This Act may be cited as the "Independent Offices Appropriation Act, 1950".

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Union Calendar No. 159

81ST CONGRESS
1ST SESSION

H. R. 4177

[Report No. 425]

A BILL

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

By Mr. THOMAS of Texas

APRIL 11, 1949

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

the jurisdiction of courts sitting in equity, and for other purposes," shall not be applicable.

(c) The order or orders of the court shall be subject to review by the appropriate circuit court of appeals and by the Supreme Court upon writ of certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., title 29, secs. 346 and 347).

SEC. 207. (a) Whenever a district court has issued an order under section 206 enjoining acts or practices which imperil or threaten to imperil the national health or safety, it shall be the duty of the parties to the labor dispute giving rise to such order to make every effort to adjust and settle their differences, with the assistance of the service created by this act. Neither party shall be under any duty to accept, in whole or in part, and proposal of settlement made by the service.

(b) Upon the issuance of such an order, the President shall appoint a board of inquiry to inquire into the issues involved in the dispute and to make a written report to him within such time as he shall prescribe. Such report shall include a statement of the facts with respect to the disputes, including each party's statement of its position but shall not contain any recommendation. The President shall file a copy of such report with the service and shall make its contents available to the public.

(c) At the end of an 80-day period after the issuance of any order by a district court (unless the dispute has been settled by that time), the board of inquiry shall report to the President the current position of the parties and the efforts which have been made for settlement, and shall include a statement by each party of its position and a statement of the employer's last offer of settlement. The President shall make such report available to the public.

SEC. 208. Upon the expiration of such 80-day period or upon a settlement being reached, whichever happens sooner, the Attorney General shall move the court to discharge the injunction, which motion shall then be granted and the injunction discharged. When such motion is granted, the President shall submit to the Congress a full and comprehensive report of the proceedings, including the findings of the board of inquiry, together with such recommendations as he may see fit to make for consideration and appropriate action.

SEC. 209. (a) A board of inquiry shall be composed of a chairman and such other members as the President shall determine, and shall have power to sit and act in any place within the United States and to conduct such hearings either in public or in private, as it may deem necessary or proper, to ascertain the facts with respect to the causes and circumstances of the dispute.

(b) Members of a board of inquiry shall receive compensation at the rate of $50 for each day actually spent by them in the work of the board, together with necessary travel and subsistence expenses.

(c) For the purpose of any hearing or inquiry conducted by any board appointed under this title, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U. S. C. 19, title 15, secs. 49 and 50, as amended), are hereby made applicable to the powers and duties of such board.

COMPILATION OF COLLECTIVE BARGAINING AGREEMENTS, AND SO FORTH

SEC. 210. (a) For the guidance and information of interested representatives of employees, and the general public, the Bureau of Labor Statistics of the Department of Labor shall maintain a file of copies of all available collective-bargaining agreements and other available agreements and actions thereunder settling or adjusting labor disputes. Such file shall be open to inspection under appropriate conditions prescribed by the Secretary of Labor, except that no specific information submitted in confidence shall be disclosed.

(b) The Bureau of Labor Statistics in the Department of Labor is authorized to furnish upon request of the Service, or employers, employees, or their representatives, all available data and factual information which may aid in the settlement of any labor dispute, except that no specific information submitted in confidence shall be disclosed.

EXEMPTION OF RAILWAY LABOR ACT

SEC. 211. The provisions of this title shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, as amended from time to time.

TITLE III

SUITS BY AND AGAINST LABOR ORGANIZATIONS

SEC. 301. (a) Suits for violation of contracts between an employer and a labor organization representing employees in an industry affecting commerce as defined in this act, or between any such labor organizations, may be brought in any district court of the United States having jurisdiction of the parties, without respect to the amount in controversy or without regard to the citizenship of the parties.

(b) Any labor organization which represents employees in an industry affecting commerce as defined in this act and any employer whose activities affect commerce as defined in this act shall be bound by the acts of its agents. Any such labor organization may sue or be sued as an entity and in behalf of the employees whom it represents in the courts of the United States. Any money judgment against a labor organization in a district court of the United States shall be enforceable only against the organization as an entity and against its assets, and shall not be enforceable against any individual member or his assets.

(c) For the purposes of actions and proceedings by or against labor organizations in the district courts of the United States, district courts shall be deemed to have jurisdiction of a labor organization (1) in the district in which such organization maintains its principal office, or (2) in any district in which its duly authorized officers or agents are engaged in representing or acting for employee members.

(d) The service of summons, subpena, or other legal process of any court of the United States upon an officer or agent of a labor organization, in his capacity as such, shall constitute service upon the labor organization.

(e) For the purposes of this section, in determining whether any person is acting as an "agent" of another person so as to make such other person responsible for his acts, the question of whether the specific acts performed were actually authorized or subsequently ratified shall not be controlling.

RESTRICTIONS ON PAYMENTS TO EMPLOYEE REPRESENTATIVES

SEC. 302. (a) It shall be unlawful for any employer to pay or deliver, or to agree to pay or deliver, any money or other thing of value to any representative of his employees who are employed in an industry affecting commerce.

(b) It shall be unlawful for any representative of any employees who are employed in an industry affecting commerce to receive or accept or to agree to receive or accept, from the employer of such employees any money or other thing of value.

(c) The provisions of this section shall not be applicable (1) with respect to any money or other thing of value payable by an employer to any representative who is an employee or former employee of such employer, as compensation for, or by reason of, his services as an employee of such employer; (2) with respect to the payment or delivery of any money or other thing of value in satisfaction of a judgment of any court or a decision or award of an arbitrator or impartial chairman or in compromise, adjustment, settlement, or release of any claim, complaint, grievance, or dispute in the absence of fraud or duress; (3) with respect to the sale or purchase of an article or commodity at the prevailing market price in the regular course of business; (4) with respect to money deducted from the wages of employees in payment of membership dues in a labor organization: *Provided*, That the employer has received from each employee, on whose account such deductions are made, a written assignment which by its terms is not effective beyond whichever of the following dates first occurs (i) 1 year from the date of its execution or (ii) the termination date of the applicable collective-bargaining agreement; or (5) with respect to money or other thing of value paid to a trust fund established by such representative, for the sole and exclusive benefit of the employees of such employer, and their families and dependents (or of such employees, families, and dependents jointly with the employees of other employers making similar payments, and their families and dependents): *Provided*, That (A) such payments are held in trust for the purpose of paying, either from principal or income or both, for the benefit of employees, their families and dependents, for medical or hospital care, pensions on retirement or death of employees, compensation for injuries or illness resulting from occupational activity or insurance to provide any of the foregoing, or unemployment benefits or life insurance, disability and sickness insurance, or accident insurance; (B) the detailed basis on which such payments are to be made is specified in a written agreement with the employer, and employees and employers are equally represented in the administration of such fund, together with such neutral persons as the representatives of the employers and the representatives of the employees may agree upon and in the event the employer and employee groups deadlock on the administration of such fund and there are no neutral persons empowered to break such deadlock, such agreement provides that the two groups shall agree on an impartial umpire to decide such dispute, or in event of their failure to agree within a reasonable length of time, an impartial umpire to decide such dispute shall, on petition of either group, be appointed by the district court of the United States for the district where the trust fund has its principal office, and shall also contain provisions for an annual audit of the trust fund, a statement of the results of which shall be available for inspection by interested persons at the principal office of the trust fund and at such other places as may be designated in such written agreement; and (C) such payments as are intended to be used for the purpose of providing pensions or annuities for employees are made to a separate trust which provides that the funds held therein cannot be used for any purpose other than paying such pensions or annuities.

(d) Any person who willfully violates any of the provisions of this section shall, upon conviction thereof, be guilty of a misdemeanor and be subject to a fine of not more than $10,000 or to imprisonment for not more than 1 year, or both.

(e) The district courts of the United States and the United States courts of the Territories and possession shall have jurisdiction,

for cause shown, and subject to the provisions of section 17 (relating to notice to opposite party) of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 28, sec. 381), to restrain violations of this section, without regard to the provisions of sections 6 and 20 of such act of October 15, 1914, as amended (U. S. C., title 15, sec. 17, and title 29, sec. 52), and the provisions of the act entitled "An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes", approved March 23, 1932 (U. S. C., title 29, secs. 101–115).

(f) Compliance with the restrictions contained in subsection (c) (5) (B) upon contributions to trust funds, otherwise lawful, shall not be applicable to contributions to such trust funds established by collective agreement prior to January 1, 1946, nor shall subsection (c) (5) (A) be construed as prohibiting contributions to such trust funds if prior to January 1, 1947, such funds contained provisions for pooled vacation benefits.

BOYCOTTS AND OTHER UNLAWFUL COMBINATIONS

SEC. 303. (a) It shall be unlawful, for the purposes of this section only, in an industry or activity affecting commerce, for any labor organization to engage in, or to induce or encourage the employees of any employer to engage in, a strike or a concerted refusal in the course of their employment to use, manufacture, process, transport, or otherwise handle or work on any goods, articles, materials, or commodities or to perform any services, where an object thereof is—

(1) forcing or requiring any employer or self-employed person to join any labor or employer organization or any employer or other person to cease using, selling, handling, transporting, or otherwise dealing in the products of any other producer, processor, or manufacturer, or to cease doing business with any other person, unless such strike or concerted refusal is authorized by a clause or stipulation in a collective-bargaining contract permitting employees covered by such contract to refuse to work on orders being performed for the account of an employer whose employees, who would normally perform such work, are engaged in a lawful strike approved or ratified by their representative whom such employer is required to recognize under this act, if such representative is the same local labor organization which is a party to such collective-bargaining contract;

(2) forcing or requiring any other employer to recognize or bargain with a labor organization as the representative of his employees unless such labor organization has been certified as the representative of such employees under the provisions of section 9 of the National Labor Relations Act;

(3) forcing or requiring any employer to recognize or bargain with a particular labor organization as the representative of his employees if another labor organization has been certified as the representative of such employees under the provisions of section 9 of the National Labor Relations Act;

(4) forcing or requiring any employer to assign particular work to employees in a particular labor organization or in a particular trade, craft, or class rather than to employees in another labor organization or in another trade, craft, or class unless such employer is failing to conform to an order of certification of the National Labor Relations Board determining the bargaining representative for employees performing such work. Nothing contained in this subsection shall be construed to make unlawful a refusal by any person to enter upon the premises of any employer (other than his own employer), if the employees of such employer are engaged in a strike ratified or approved by a representative of such employees whom such employer is required to recognize under the National Labor Relations Act.

(b) Whoever shall be injured in his business or property by reason of any violation of subsection (a) may sue therefor in any district court of the United States subject to the limitations and provisions of section 301 hereof without respect to the amount in controversy, or in any other court having jurisdiction of the parties, and shall recover the damages by him sustained and the cost of the suit.

RESTRICTION ON POLITICAL CONTRIBUTIONS

SEC. 304. Section 313 of the Federal Corrupt Practices Act, 1925 (U. S. C., 1940 ed., title 2, sec. 251; supp. V, title 50, App., sec. 1509), is hereby reenacted and amended to read as follows:

"SEC. 313. It is unlawful for any national bank, or any corporation organized by authority of any law of Congress, to make a contribution or expenditure in connection with any election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office, or for any corporation whatever, or any labor organization to make a contribution or expenditure in connection with any election at which presidential and vice-presidential electors or a Senator or Representative in, or a Delegate or Resident Commissioner to Congress are to be voted for, or in connection with any primary election or political convention or caucus held to select candidates for any of the foregoing offices, or for any candidate, political committee, or other person to accept or receive any contribution prohibited by this section. Every corporation or labor organization which makes any contribution or expenditure in violation of this section shall be fined not more than $5,000; and every officer or director of any corporation, or officer of any labor organization, who consents to any contribution or expenditure by the corporation or labor organization, as the case may be, in violation of this section shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both. For the purposes of this section 'labor organization' means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work."

STRIKES BY GOVERNMENT EMPLOYEES

SEC. 305. It shall be unlawful for any individual employed by the United States or any agency thereof, including wholly owned Government corporations to participate in any strike. Any individual employed by the United States or by any such agency who strikes shall be discharged immediately from his employment, and shall forfeit his civil-service status, if any, and shall not be eligible for reemployment for 3 years by the United States or any such agency.

TITLE IV

DEFINITIONS

SEC. 401. When used in this act—

(1) The term "industry affecting commerce" means any industry or activity in commerce or in which a labor dispute would burden or obstruct commerce or tend to burden or obstruct commerce or the free flow of commerce.

(2) The term "strike" includes any strike or other concerted stoppage of work by employees (including a stoppage by reason of the expiration of a collective-bargaining agreement) and any concerted slow-down or other concerted interruption of operations by employees.

(3) The terms "commerce," "labor disputes," "employer," "employee," "labor organization," "representative," "person," and "supervisor" shall have the same meaning as when used in the National Labor Relations Act as amended by this act.

SAVING PROVISION

SEC. 402. Nothing in this act shall be construed to require an individual employee to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor by an individual employee an illegal act; nor shall any court issue any process to compel the performance by an individual employee of such labor or service, without his consent; nor shall the quitting of labor by an employee or employees in good faith because of abnormally dangerous conditions for work at the place of employment of such employee or employees be deemed a strike under this act.

SEPARABILITY

SEC. 403. If any provision of this act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

INDEPENDENT OFFICES APPROPRIATION BILL, 1950

Mr. THOMAS of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1950, and for other purposes; and pending that motion, Mr. Speaker, in order to save time, I ask unanimous consent that upon completion of the general debate the bill be considered as read and open to amendment.

Mr. CASE of South Dakota. Reserving the right to object, Mr. Speaker, it is understood that if the bill is considered read it will be open to points of order before amendments are in order?

The SPEAKER. The gentleman is correct.

Is there objection to the request of the gentleman from Texas?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4177, with Mr. WALTER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent granted on yesterday, general debate is limited to 2 hours, 1 hour to be controlled by the gentleman from Texas [Mr. THOMAS] and 1 hour by the gentleman from South Dakota [Mr. CASE].

Mr. THOMAS of Texas. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, the committee had two things uppermost in its mind, and I might say only two, in writing this bill. The first was to provide and to provide adequately all the funds necessary to carry on every essential function covered in this bill. I might add that we think we did just exactly that. No essential service has been hurt. No. 2 was to give the taxpayers a break.

The budget estimates for all the agencies covered in the bill, including cash and contract authorization, amount to eight billion and approximately three hundred million dollars. The committee reduced that amount by $735,000,000. These cuts were carefully and selectively made, and I again state that in the humble judgment of your committee we have not hurt or curtailed any of the essential functions of any of the agencies in the bill.

The bill covers 33 agencies of Government. That is quite a number, when you have to hear all of them and listen to all of the evidence and go through all the ramifications of the various agencies. The great majority of these agencies are bipartisan, composed of Republicans and Democrats alike. They are usually three- or five-man commissions, quasi-judicial in character. Our committee certainly did not indulge in partisanship, and we have reported the bill with about as much unanimity in the committee as it is humanly possible to get among five men. There is substantial unanimity on practically every major item. Let me say again, there is no partisanship on the committee, and very little, if any—I might say none—in the bill. I think I would be remiss if I did not say something about the fine and capable clerks that we have on this committee—Mr. Duvall and his assistant, Mr. Skarin. Certainly they are fine men. They are hard workers. They know this bill from top to bottom. Without their assistance, the committee would have had a much harder time in writing this bill than we had. We are deeply indebted to Mr. Ducall and Mr. Skarin for their invaluable help.

May I say that men do not come any finer or more conscientious and with more level-headed understanding and judgment than the gentleman from Tennessee [Mr. GORE] and the gentleman from Alabama [Mr. ANDREWS]. They bring to the committee balance and good judgment. Certainly their efforts in writing the bill have been invaluable to us. I often marvel at the capacity for work of our distinguished colleague, the gentleman from Tennessee [Mr. GORE].

While we were working on this bill, on several occasions it became his duty to preside over the deliberations of the House. Of course that meant that he had to work day and night. I might say the same with every degree of accuracy and sincerity about the members of the minority on our subcommittee. There is our friend, the gentleman from South Dakota [Mr. CASE], who, I might add, has one of the great minds of the House. He stands out in the membership of the House as a great beacon. We all recognize his leadership and his outstanding ability.

The other member of the minority, our genial friend, the gentleman from California [Mr. PHILLIPS] knows this bill like he knows his A B C's. He has been a member of the committee for many years. He is a tireless worker and his efforts have been outstanding and most helpful to the committee. His efforts are usually effective, not only for his great district, but for the State of California, and I might add again those good people of his district know a good man and a capable man when they have him as their Representative. No doubt they will have him for the next 30 or 40 years if he cares to remain.

I might say that the bill provides for many agencies who have able public men serving as administrators or commissioners. I will not mention them all because there are too many, but I will mention a few of them. I might say that they are all good men and the committee has nothing but the very highest regard for them.

There is General Fleming, Administrator of Public Works. He is an outstanding administrator in Government service and, in my judgment, one of the finest men and one of the most capable men in public office.

There is Mr. W. E. Reynolds, of the Public Buildings Administration, an old-timer, I might say, in Government service, and one that the committee has a very high regard for. He is one of the great men in Government service.

Then there is Thomas H. MacDonald, Administrator of Public Roads. We affectionately call him "Mr. Mac." He is one of the great men, and the committee respects his judgment.

Then there is Mr. Nelson Lee Smith, Chairman of the Federal Power Commission, and his able fellow commissioners. Those gentlemen are doing an effective job.

There is Mr. Wayne Coy, Chairman of the Federal Communications Commission, and his fellow commissioners. They are faced with a backlog of work, but we are confident they will catch up with it during the next fiscal year.

Then there is our own Lindsay Warren, Comptroller General. The membership of this committee knows General Warren. He is one of the outstanding men in Government service. He certainly was one of the ablest men in this House for over 20 years. He also is doing excellent work, and I know the membership of the House joins me in wishing him many, many more years of effective Government service. He is a great American.

Then there is Mr. Charles D. Mahaffie, Chairman of the Interstate Commerce Commission. He certainly is an able executive. The committee recognizes Chairman Mahaffie as a young man, but he is carrying a great load and making a great Chairman for the Interstate Commerce Commission, and we wish him well.

Then there is Dr. J. C. Hunsaker, Chairman of the National Advisory Committee on Aeronautics. He is an outstanding scientist. He is now head of the department dealing with aeronautical engineering at the Massachusetts Institute of Technology. He is chairman of NACA, and I would like to see him become the permanent head of the NACA.

Then there is Mr. Frank Richards, Commissioner of FHA. He, too, is a capable administrator.

There is our old and distinguished friend, and I say that affectionately, Gen. Carl Gray of the Veterans' Administration. He is making a good administrator of veterans' affairs. Dr. Magnuson, his chief medical officer, is not only one of the outstanding doctors in the United States but he has done a grand job in bringing perhaps the best medicine in the United States to the veterans.

There are too many others of these very distinguished gentlemen who are heads of agencies to mention them all, but the committee has a high regard for all of them and I feel they are all worthy of commendation.

I should like to make a further report to the committee on behalf of your subcommittee on a few of the general trends in government with reference to costs. I regret to advise the committee that, generally, there is in the great majority of agencies in this bill, an increase in the cost of operations rather than a decrease. The committee also reports with regret that it finds little or no evidence looking toward an increase in efficiency in personnel, and this in spite of the fact that in the last several years there have been increases in pay and we had hoped that along with those increases there would be some increase in efficiency. I regret to report to you that your committee finds very little evidence indicating that increase in efficiency that we had all hoped and desired would come about.

Again, I must inform you that it is the committee's considered judgment that most of the agencies are still overstaffed. Now, let us look at a few of the agencies such as Veterans' Administration, Atomic Energy, the National Advisory Committee on Aeronautics, the Maritime Commission, and one or two others; then I will yield to questions and yield the floor, because other Members will explain the bill.

The Veterans' Administration had a request, as far as the budget recommendation was concerned, of $5,654,182,000. The committee cut that by $508,750,000. We have provided in this bill for approximately 172,000 employees for the Veterans' Administration. That is almost a young army in itself; is it not? And it is interesting to note that of that number 12,300 are provided for the District of Columbia.

You will recall that last year it was practically unanimously agreed in the House that the Veterans' Administration should get rid of its 13 branch offices which cost the taxpayers of the United States in the neighborhood of $75,000,000 in fiscal year 1948 and employed 21,000 people in addition to the approximately 14,800 they had in the District of Columbia in 1948. Those 13 offices have been closed and in their stead are 7 district offices that have been set up. We are told by our distinguished friend and Administrator, General Gray, that in closing the 13 branch offices $10,000,000 have been saved.

The committee was terribly disappointed. It seems to some of us that they could have saved at least $50,000,000 of that $75,000,000. Every bit of this work should have been placed in the regional offices where they are in close contact with the veterans. That is where it belongs, and we have indicated in no uncertain language in our

report that in our judgment that is what should be done. You are going to save not only cost, you are going to save time, you are going to save what thousands of veterans call the run-around. It is not a run-around so far as the insurance work is concerned.

We are getting hundreds of complaints because you have three layers insofar as insurance work is concerned. Part of it is done here in the District of Columbia. In connection with insurance, everything that deals with other than World Wars I and II is handled in the District of Columbia, which embraces some 10 or 12 different items, the Spanish-American War, the Civil War and so forth. I think we will save time and expense by consolidating those insurance problems. Of course, that is one of the many things that is bringing a lot of criticism on the head of the Veterans' Administration today, and I refer particularly to the handling of insurance matters. They are taking a lot of time of the veterans. They write to one place and do not get an answer; and then they write to the established branch office, and do not get an answer. Then they write to Washington and they refer them back to the branch office, and so forth and so on. That is what we are attempting to correct.

Let us go to the veterans hospital. Before I go into the curtailment or the would-be curtailment, let me speak briefly of the medical program. Out of 172,000 employees of the Veterans' Administration, do you know how many of them deal with medicine and hospitalization in all branches? Of the 172,000 there are 110,356 who are working at hospitals and in various sections and segments of medicine in the Veterans' Administration.

The committee does not touch one penny, which totals exactly $566,666,400, to keep those 110,356 employees and all the hospitals in operation and we direct the Veterans' Administration not to touch one penny of it.

You know what has happened in the past. There was a cut-back order reducing the veterans hospital construction program by 16,000 beds, eliminating 24 proposed hospitals that the Congress has heretofore approved not once but twice, and also reducing the size of some 15 other hospitals. Heretofore the Congress has approved, not once but twice, $237,000,000 in contract authorizations. The Budget came over and asked us to rescind the $237,000,000. But we did not do that. We were not satisfied where the program originated. We thought it originated in the Budget Bureau, not in the Veterans' Administration. We thought it was not well considered.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of Texas. I yield to the gentleman from Mississippi.

Mr. RANKIN. I want to know if the committee restored the appropriations for the construction of veterans' hospitals that were deleted by the Veterans Administration or at the direction of the Bureau of the Budget?

Mr. THOMAS of Texas. We left it just exactly like the gentleman's committee authorized it and just exactly like this Congress had approved it during the fiscal years 1947, 1948, and 1949, I will say to the gentleman from Mississippi. We left it that way. In other words, the President still has the $237,000,000 and can use that authorization for all or any part of the 39 hospitals which were proposed for elimination or reduction in the 1950 budget in connection with the hospital program.

Mr. RANKIN. I believe 24 hospitals were eliminated.

Mr. THOMAS of Texas. Altogether?

Mr. RANKIN. Two in my State; one in Tupelo, as well as a Negro hospital. The veterans of my State think that they are very necessary, and I just want to know if the funds provided in this bill will be sufficient to cover the construction of those hospitals and the other hospitals that have been eliminated.

Mr. THOMAS of Texas. The answer is, yes, I will say to the gentleman from Mississippi.

Mr. RANKIN. I thank the gentleman from Texas.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of Texas. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. The thing that troubles me very much is the fact that General Gray asked for $48,000,000 more, or his medical section did, to staff the hospitals, to keep the present staff on, and to staff the hospitals as they opened. I am told reliably by the Medical Service that if that money is not restored, from seven to eight thousand beds will have to be closed and some hospitals within a month or so, and as the other hospitals open they will not have the personnel.

Mr. THOMAS of Texas. May I say that there is no person on this floor that has ever done more for the veterans than has the distinguished gentlewoman from Massachusetts and the distinguished gentleman from Mississippi. She certainly has been kind and thoughtful and generous, and all of us admire the gentlewoman for using a level head in managing veterans' affairs.

Mr. RANKIN. Mr. Chairman, if the gentleman will yield further, let me say to the gentleman from Texas that one reason I am particularly interested in these hospitals is that many of these old veterans of World War I are crowding into these hospitals that are registered as soldiers' homes, and it seems to me that we are going to need every one of those beds that have been eliminated at the direction of the Bureau of the Budget.

Mr. THOMAS of Texas. None of those beds in the various State homes has been eliminated. In answering the gentlewoman from Massachusetts, we granted every penny for hospitals and medicine that the Bureau of the Budget requested, and to be perfectly frank about it, we were informed that they asked for $48,000,000 more than the budget granted to take care of new beds that were in contemplation during 1950. We have several months to go in 1949. The committee took the position that those 4,000 new beds were not in existence now and they would not be in existence for a number of months. If, as, and when they do come into existence and they need funds for operation, the committee would certainly consider their request.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of Texas. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I was just going to confirm what the gentleman from Texas said. The Veterans' Administration was not in a position at this time to tell us how many new hospital beds would be opened during the year or at what time during the year. Obviously, then, they could not tell now how much help would be needed to operate them. They could not tell us whether they could get full staffs. So the only thing to do was to say, "as these new hospitals come in, and you need additional money, come in and let us know."

Mr. THOMAS of Texas. I would like, next, to make a few remarks concerning one of the most important items in the bill—the Atomic Energy Commission. We have included in the bill a total of cash and contract authorization for the fiscal year 1950 amounting to $1,090,120,397. This sum is $76,879,603 less than the budget estimates, which totaled $1,167,000,000 in cash and contract authorization.

In connection with the above reduction I would like to point out that we have recommended substantially no cut in funds for program 300-Weapons and program 400-Reactor development which is about one-third of the total AEC program. These two programs dealing with projects which might be described as our first line of defense are regarded as of the utmost importance to our national security and the committee does not feel justified in effecting economics in this field of atomic development. The net result of the recommendation of the committee as to these two programs, due to the decrease in the cost of materials, supplies, and equipment since this estimate was prepared last fall, is to provide funds and authorizations about 15 percent in excess of that contemplated in the estimates.

Referring to the reductions made by the committee in other programs, it is believed that sufficient funds and authorizations have been allowed to permit continuation and obtain satisfactory progress in the several fields in which the commission is operating. However, there is no intention to cripple any activity of this important agency and we feel that if the commission practices the economy it should in its industrial operations, town management program and its Washington office, that additional substantial savings can be made in these programs.

We have allowed $14,000,000 for salaries and expenses of the Civil Service Commission, which is $1,641,000 less than the 1949 appropriation and $3,520,000 below the budget estimates. We have specifically denied a request of $1,202,400 for allocation to the FBI in connection with the investigation of sensitive positions. Funds were not provided the Commission during the current year for

this type of investigation by the FBI, and we are of the opinion that the Commission should perform such work as may be essential in this connection with its existing staff.

Figures presented by the Commission were to the effect that in excess of 50 percent of placements during the next fiscal year will be made as a result of examining and recruiting work to be performed by the agencies. The committee is of the opinion that this is a conservative estimate and that a much larger percentage of this work could be performed by the departments with resulting economy and efficiency. This procedure would be in line, also, with the recommendations of your committee in providing a reduction in funds for the fiscal year 1950.

Previously in my speech I referred to the backlog of work which is pending in the Federal Communications Commission. I would like to elaborate a bit on that reference and advise you as to the program we have recommended to overcome that backlog. The primary difficulty is in the field of processing applications for radio broadcasting and safety and special-service licenses.

The committee ascertained, during hearings on the bill, that many applications on file have been pending for more than a year. The Commission testified that the work could be regarded as current if radio broadcasting applications were acted upon within a 6-month period and that a 30-day period would be regarded as current in connection with applications for safety and special-service licenses. In order that the Commission may achieve this goal the committee has stricken from the bill the limitation on personal services in the District of Columbia heretofore carried and has inserted a provision excepting from the Apportionment Act funds required for application processing in connection with broadcast activities and special and safety services. This latter provision will permit the Commission to spend funds without regard to apportionment during the first part of the next fiscal year and should be of assistance in expediting action on applications. The removal of the limitation on personal services in the District of Columbia will give more flexibility to the appropriation and it is the intention of the committee that services in connection with radio monitoring and other field operations shall be diminished and that funds saved through this means shall be applied to use in connection with application processing.

The Commission should have no difficulty in clearing up its backlog under this recommendation.

The major item in the bill under the Federal Works Agency is that for the construction of Federal Aid and forest highways in the United States. The bill includes a total of $395,991,000 for these purposes which is $52,397,854 below the 1949 appropriation and $27,509,000 less than the budget estimates of $423,500,000. For Federal-aid postwar highways, the committee has made a reduction of $26,509,000 in the budget estimate. The actual reduction in this item is $25,000,000 since an unobligated balance of $1,509,000 for access roads is also appropriated for this purpose. In explanation of its action in reducing this fund, the committee wishes to point out that during consideration of the 1949 bill, it was advised that the full amount of the budget estimate would be required. Testimony given during the hearings on the 1950 estimates, however, was to the effect that there would be a carry-over of approximately $41,300,000. This indicates clearly that funds are being provided at a greater rate than is essential, and, in fact, the committee was advised that there had been more delay than was anticipated in recent years between the time of allocation of funds and when such funds were actually required. Also, reductions in the cost of material and supplies should result in lower prices for road construction. In view of these conditions, we are of the opinion that funds recommended in the bill for this purpose will be entirely adequate.

In referring again to the National Advisory Committee for Aeronautics, I would like to point out that we have made some reduction in the estimates for both salaries and expenses. The net effect is to hold the salary and expense item to the current year level and to provide funds for construction to a level somewhat below the 1949 allowances.

During hearings on the estimates the committee made inquiry as to the legislative background of this agency. Questioning by the committee developed the information that no substantial amendment to the basic law of 1915 referred to above has ever been made, nor have any substantial hearings been held recently by any legislative committee as to its operations. The committee was advised that the amendment of May 25, 1948, made no substantial change in the 1915 act.

The committee is of the opinion that an agency which has grown to the size and importance attained by NACA should have broad, basic legislation authorizing all functions, including authorization for the construction of specific projects. This latter situation has not existed in connection with NACA. The committee was informed that all authorizations for construction have been in the form of appropriations recommended by the Appropriations Committee and approved by the Congress without prior consideration by the appropriate legislative committee. In view of this situation, we are recommending that the legislative committee having jurisdiction over this agency, Armed Services, should completely review the legislative background of NACA with a view to enacting a comprehensive basic law authorizing the various activities and construction programs which it regards as necessary.

In its consideration of funds for the Tennessee Valley Authority the committee considered estimates totaling $56,400,000—aside from administrative-expense funds—and we have provided in the bill a total of $49,359,150, which is a reduction of $7,040,850 in the budget estimate. The reduction has been applied to the construction program, and while we have not cut out any part of the program we feel that in view of the decrease in construction costs, they will be able to get along with the amount allowed.

Through June 30, 1948, the Congress had appropriated $736,223,270 for use by the Tennessee Valley Authority, of which $444,817 was unobligated as of that date. For the 1949 fiscal year Congress has appropriated an additional $27,389,061, and a supplemental appropriation of $3,450,000 is estimated. All funds appropriated in fiscal year 1949, together with the balance from prior appropriations, will be obligated by June 30, 1949. The proposed 1950 budget program involves a request for $56,400,000 of appropriated funds and $78,766,000 of corporate funds made available from the sale of power, fertilizer products, and other sources. The total of $135,175,000 to be applied under the 1950 program consists of $69,116,000 for acquisition of assets, $60,294,000 for operating expenses, $5,500,000 for retirement of borrowings and payments to the United States Treasury, and $265,000 to increase working capital.

For the several items requested in the budget estimates for the United States Maritime Commission we have recommended $62,360,424, which is a reduction of $9,760,966 below the budget estimate. The estimates also included a contract authorization request in the sum of $82,500,000, and the committee has included in the bill an authorization of $70,125,000 for this purpose.

For administrative expenses we have recommended $8,950,142 together with an unobligated balance of $586,648, making a total of $9,536,790 available for this purpose. This is an actual reduction of $1,342,210 under the budget estimate. We have specifically disallowed $68,000 in connection with employees engaged on the work of auditing voyage accounts. The committee has also effected a reduction of $237,900 in connection with the estimate for salaries and other expenses of 111 employees in coast director's offices. We are of the opinion that much of the work performed in these offices is not essential and that such part of it as the Commission may regard as necessary should be transferred to other offices within funds available. In providing funds for approximately one-half of the present staff, the committee is permitting this work to continue into a portion of the next fiscal year and until plans can be made for liquidation or transfer to other offices. It also seemed to the committee that many of the other divisions in this agency are greatly overstaffed and it is supported in its stand by the recently published report of the Senate Committee on Expenditures which recommended that appropriations for this function be reduced approximately 20 percent during the next fiscal year. Page (v) of this report contains the following comment in this connection:

> A reasonable estimate of the savings which should result is about 20 percent of the administrative expenses of the agency, or about $2,000,000 a year.

In connection with the ship-construction program of the Maritime Commission we have approved an appropriation of $26,875,000 together with a contract authorization of $70,125,000. This is a

reduction below the budget estimates of $2,625,000 in the cash request and $12,375,000 less than the contract authorization. The committee has reduced funds and contract authorization for new construction by 15 percent because of the general decline in construction costs as reported to the committee during hearings on the bill.

In addition to the funds provided for the 1950 construction program we have continued available a total of $104,000,000 provided in the current fiscal year for construction purposes. This provides a total of approximately $200,000,000 in cash and contract authorization for use during the fiscal year 1950.

Mr. CASE of South Dakota. Mr. Chairman, I yield myself 10 minutes.

BURIED IN THE RECORD

Mr. Chairman, a few years ago the House had the privilege of having in its membership a very distinguished Member from New York by the name of Crowther. "Dr. Crowther," we called him. He was a Member of the House for a great many years. I remember walking across between here and the House Office Building with him one day, when we were commenting on a speech which someone had made. We both agreed it was an outstanding speech. "Doc" said to me, "CASE, there were not very many Members on the floor to hear that speech today, and probably there was not any press release ready in advance of it, so the public will never hear about it. It will be buried in the CONGRESSIONAL RECORD."

BURIED IN THE CONGRESSIONAL RECORD

I have thought of that many times, that many good speeches are buried in the CONGRESSIONAL RECORD.

When I think about the work that went into the preparation of this bill and all the testimony that was taken, to make these two volumes of hearings, one of which runs to 1,495 pages and the other to over 1,200 pages, a total of about 2,750 pages, and realize all the agencies that are there represented and what they said about their work, I can merely say to the commlttee at this time, there is a lot of good material buried in the printed hearings, buried, thta is, unless you dig it out for yourself or bring it out in questioning here today.

SCOPE OF THIS BILL

There is a lot of information on many agencies of the Government contained in the hearings on the independent offices bill. This bill has the largest scope of any of the regular appropriation bills. It deals with such agencies as the Veterans Administration, which has been mentioned. It deals with the Public Roads Administration, the Bureau of Community Facilities, and the Public Buildings Administration, all of which are in the Federal Works Agency. It deals with the Civil Service Commission. It deals with the Atomic Energy Commission. It deals with the Inland Waterways Corporation. It deals with the several housing agencies. It deals with the American Battle Monuments Commission, which maintains cemeteries overseas. It deals with the Office of the President, the White House. It deals with the Federal Trade Commission and the Interstate Commerce Commission, and the Tennessee Valley Authority, and the National Advisory Committee for Aeronautics. It deals with such new agencies as the Indian Claims Commission and the Displaced persons Commission. And that is only a part of the list. So that this bill does have the broadest scope of any of the regular appropriation bills. It is an interesting bill for those who want to know the ramifications of our great Government.

It is not my intention to try to make a comprehensive statement covering all of the bill. Time forbids. So does patience. So I am going to invite your attention to the last few pages of the report, which give the tables showing the amount appropriated for each agency for 1949, the budget requests for 1950, and the amount that is carried in this bill for 1950. I shall comment on some of the items in passing.

FUNDS FOR THE PRESIDENT

First of all, we appropriated for the Executive office of the President. There we allowed the full budget estimates, including the amount authorized by the first legislation that was passed by the Eighty-first Congress, increasing the salary of the President and the funds for the expenses of the White House office.

There is one definite change that possibly should be noted in relation to the funds of the President which otherwise might not come to the attention of the Congress. Heretofore we have had two funds which the President could spend in hls discretion for purposes not directly connected with the White House. One of those was the emergency fund of the President and the other was the disaster-rellef fund. Last year they received separate appropriations. This year they are consolidated under language which incorporates the purposes of both funds previously.

The disaster-relief fund is that which has been used for the relief of some of the extreme disasters in the blizzards of the West this past year. A year ago it was used for some of the flood relief out in the Northwest.

BOARD OF ECONOMIC ADVISERS

Going down the list, on page 42, we come to the Council of Economic Advisers. Many times during the past I have wondered why we should provide a Board of Economic Advisers any money whatsoever. We have a chairman of the Board, who says that the country is in a period of disinflation. Then we have two other members of the Board who are more voluble even than the chairman, and they say the Nation is threatened with inflation. They recommend that the President insist upon his request for control legislation.

In any event, the committee reported the same amount that this agency had last year, which will require them to absorb the salary increases which were provided by what is known as Public Law 900. So, in effect, they will have to make some reduction in their hypothecations and predictions although the bill does not go as far as I had hoped it would in that regard.

OVERSEAS CEMETERIES

The next item I would call to your attention is the item for the American Battle Monuments Commission. Here we allowed $5,920,800. This provides approximately $4,300,000 to initiate work on the overseas cemeteries. If the members will refer to the hearings at page 1026 they will find that the American Battle Monuments Commission is engaged upon a program of bullding overseas cemeteries eventually to cost about $43,000,000.

There are 14 of these cemeteries scattered all the way from Europe to the Philippine Islands. In these cemeteries will rest our sacred dead, the men who gave their lives on far-flung battlefields to defend the United States. I suggest that Members who are interested, look up the hearings, because there they will find a great deal of very interesting information on this subject.

ATOMIC ENERGY COMMISSION

The next agency is the Atomic Energy Commission—for which we recommend $702,930,000, plus some unobligated balances of prior years and contract authority to the extent of $387,000,000, providing in all for the Atomic Energy Commission approximately $1,000,000,000.

If there is any single agency of Government to which the average Member of Congress would find difficulty in applying any ordinary yardstick of sound appropriation, it is the Atomic Energy Commission. The average layman, who listens to these scientists discussing reactors, neutrons, protons, moderators, and fissionable materials, and what they propose to do with this weapon, or what they propose to do in the application of atomic power to commercial, industrial, or medicinal uses, finds himself seriously handicapped.

At the same time I commend the work of my colleagues on the committee for the diligence with which they addressed themselves to the survey of the Atomic Energy Commission. It would be impossible, even if I wanted to, either in time or in my capacity, to make an adequate discussion of the Atomic Energy Commission's funds. But I may suggest this to the committee—that here, as in most other things, if you will take a segment of an activity which you do understand and to which you can apply some ordinary standards, you can find an index which will give a fairly reliable guide in determining the efficiency of the spending operations of any particular agency.

COMMUNITY OPERATIONS

In that connection the committee was considerably bothered by the loose operations it found in the handling of the three principal communities which the Atomic Energy Commission has been operating at Oak Ridge, at Hanford, and at Los Alamos. That was true when we came to determining how they spent their money for ordinary civic activities, schools, fire control, and police protection. It was also true when we came to the question of housing rentals.

We found, for example, that houses owned by the Government at these centers were rented to employees of the Atomic Energy Commission at rates far less than the rates that people can buy

housing in any other community in the United States. Yet the average pay rate to employees is considerably above that in other activities of the Federal Government.

For example, I asked the question as to what it would cost for an average house, with utilities provided, with heating provided, with no taxes for schools, no taxes for police protection or anything of that sort. Mr. Ford testified that at Oak Ridge, for example, $38 a month would pay the rental for a one-bedroom house with all utilities; $56 would get a two-bedroom house, and $68.50 and $73 would get a three-bedroom house, depending on the variety of house. Then I asked, "Does that cover utilities?" And Mr. Ford said, "That includes utilities."

Does that mean electricity?
Mr. FORD. Electricity.
Does it include heating?
Mr. FORD. It includes fuel for heating.
And it includes water?
Mr. FORD. Yes, sir.

The CHAIRMAN. The time of the gentleman from South Dakota [Mr. CASE] has expired.

Mr. CASE of South Dakota. Mr. Chairman, I yield myself 10 additional minutes.

Then I asked Mr. Wilson if the Commission were giving any consideration to these rent schedules. Mr. Wilson said:

We have had surveys of our rentals and the composition of them made at Hanford and Oak Ridge by real-estate management and appraisal people. As a result of those studies it is clear that the rentals for housing units in these towns are substantially below the prevailing rentals for similar facilities in the area.

So the committee felt that we should not recommend the full amount that they were asking for construction of new housing until they adopted a rental schedule that would be somewhat in line with the prevailing rentals in surrounding communities.

SCHOOL COSTS AT CENTERS

Another index to the loose manner in which these communities have been conducted is in the handling of the school problem. It was testified that it was costing the Government $297 per pupil at Oak Ridge; at Los Alamos, N. Mex., $280 per pupil, and at Hanford, Wash., it was costing only $140, that is, at Hanford it is costing exactly one-half what it is costing at Los Alamos. The explanation given was that at Oak Ridge, where it is $297, and Los Alamos, where it is $280, there is no contribution from the State toward the school system operation. Then I asked: "None whatever?" and Mr. Wilson said, "None whatever."

In addition to that, it developed that in New Mexico a State sales tax is collected, which the employees who live in Los Alamos have to pay. That State sales tax goes into the State treasury of New Mexico, and is then allocated back to the counties of the State. There is allocated back to the county in which Los Alamos community is located, approximately $185,000, but not one penny of that $185,000 goes to defray the cost of the schools on the Los Alamos reservation. The county in which Los Alamos is located has a population outside the reservation of 3,000 people.

In other words, you and the taxpayers in your district are putting up $280 per pupil for educating the children in Los Alamos. The employees there are paying a State sales tax which raises $185,000, which does not go to defray the operation of their school, but goes to defray the operation of the remainder of the schools in a county of 3,000 people.

As I say, you can take instances like this, things which everyone can understand, and apply that picture to the operations of the agency and say, "If you are slipshod in activities like this, what about your main operation?" So naturally we wondered about the funds they were asking for in the larger amounts of money and the more intricate items of their budget.

Mr. PRICE of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. PRICE of Illinois. When you were discussing this matter with the Atomic Energy Committee, did they give you any hope that they might try to work out a solution of that problem with the State of New Mexico?

Mr. CASE of South Dakota. Yes. They said they had initiated some negotiations, and they were hopeful that something would come out of it now. They said they felt that the rather thorough way in which we went into the matter in these hearings would give them some strength in their negotiations with the State of New Mexico.

We had a very interesting hearing with those gentlemen and their hearings occupy over 200 pages of printed testimony. If you read them you will find that the atomic energy proposition is a very important thing for this country, not only in military operations but in its future industrial life as well. I urge interested members to read the hearings in volume 1, from page 1068 on.

DISPLACED PERSONS COMMISSION

I must hurry on. Members who are interested in the problem of displaced persons should read beginning with page 444 of part 1 the portion of our hearings which deals with the procedure for entry of displaced persons. There are set forth the 14 steps which have to be taken for the admission of a DP to this country, and you will find a rather complete discussion of how this Commission is set up and the work it is doing.

In connection with the Federal Communications Commission, it was interesting to find that the Federal Communications Commission believes that the excise tax should be repealed on telephone messages and telegraph messages. I asked them particularly about that. Mr. Wayne Coy, the Chairman of the Commission, said that they were unhesitating in their belief that this wartime excise tax on communications should be abolished by the Congress, and, as you know, the minority leader, the gentleman from Massachusetts [Mr. MARTIN] has introduced a bill to that end which I hope will receive the favorable consideration of Congress.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

FAVOR REPEAL OF EXCISE TAX

Mr. REES. Approximately how much money is involved in connection with the tax on telephone and telegraph messages?

Mr. CASE of South Dakota. For the whole country on private industry?

Mr. REES. That is right.

Mr. CASE of South Dakota. Mr. Norfleet told us that in 1948 the excise taxes in the Bell Telephone system amounted to $406,000,000. That, of course, does not include the tax on telegrams.

Mr. REES. I am in favor of the repeal of this tax. It was a wartime measure and should have been repealed long ago. I am glad the Commission feels that way about it.

Mr. CASE of South Dakota. They certainly do feel that way. Mr. Coy said:

We at the Commission think it is an atrocious thing to have a tax on a communication system today.

The Federal Communications Commission is far behind in its radio work. We found that it had a tremendous backlog of applications. Their work is increasing by reason of the application for walkie-talkies and two-way cab communication, and all those things to say nothing of the fields of frequency modulation and television. The committee has, as earnestly as it could, recommended that the Federal Communications Commission assign a definite team to the clearing up of its backlog and getting current.

INTERSTATE COMMERCE COMMISSION

Mr. GATHINGS. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. GATHINGS. Let me say that in my judgment this subcommittee of which the gentleman from South Dakota is the ranking member, has done a remarkable piece of work. There are more agencies in this bill than in any other bill with which the Committee on Appropriations has to deal, and this subcommittee has done an excellent job. I wish to ask with reference to the Interstate Commerce Commission about the cut on the Bureau of Valuation in the amount of $250,000; where does that cut fall?

Mr. CASE of South Dakota. The cut primarily should fall in the Board of Valuation. I may say to the gentleman from Arkansas that when I first went on the subcommittee—I have been away from it for 2 years up to the present time—but some years ago I recall that I had a discussion with them about how rapidly their valuation work got out of date. It seems that they never can keep current, changes come so rapidly. They had a valuation some years ago that was used as a sort of basis, but to keep that current they have to use an index number and apply it.

I asked Mr. Mahaffie, the Chairman of the Commission, during our hearings if they were to have a cut in their appropriations where it might most appropriately fall. I told him that I did not want him just to give me an off-hand answer, because I knew if he gave me

an offhand answer he would say that they could not afford to take a cut anywhere. I told him that he should seriously recognize the fact that if he did not give some suggestion that the members of the Committee on Appropriations might take it in mind to make an arbitrary cut and it might fall in an inappropriate place; so I asked him for his suggestion that if a cut were to be made where it could best be made. His reply was the Bureau of Valuation.

Mr. GATHINGS. He said the Bureau of Valuation?

Mr. CASE of South Dakota. That is correct, under section 19 (a) of their act which relates to railroad valuations and reproductions.

Mr. GATHINGS. I read the gentleman's question to Mr. Mahaffie and the answer of Mr. Mahaffie. He did not come right out and recommend a cut in that bureau.

Mr. CASE of South Dakota. No; that was not to be expected. Every agency wants the full budget estimate and most of them intimate that we should even raise the budget estimate. But this subcommittee, and I wish to pay my respects to all members of the subcommittee, this subcommittee was not in a budget-raising frame of mind, and we took seriously our responsibility of trying to effect some reductions.

ADVISORY COMMITTEE FOR AERONAUTICS

We did so even to tackling such a ticklish proposition as the National Advisory Committee for Aeronautics.

Now, if there is any one thing for which I am sort of a soft touch it is in the field of research. I have a feeling that more return has been received by the Government from money spent in research by the Army, the Navy, the National Advisory Committee for Aeronautics and other branches of the Government than from any other like money that is spent. Yet with the National Advisory Committee for Aeronautics we found they were proposing to build some new facilities for which there was no authorization of law. So we took it upon ourselves to take the funds off to start these new projects until they are considered by the appropriate legislative committee and until they could get specific legislative authorization therefor. This may be the first time that the National Advisory Committee for Aeronautics has ever had that done. It was not done in a spirit of hostility, however, but as a means of achieving sounder Government practice. We did, however, provide money to carry on all the construction projects that they have under way so that they could complete those, but we said that so far as the new stuff is concerned they should get legislative authorization.

I recognize that I have taken as much time as I probably should, but I should like to go on to some other things.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. CASE of South Dakota. Mr. Chairman, I yield myself three additional minutes.

Mr. Chairman, I want to say some things that certainly should be said about the membership of the committee.

The chairman of this subcommittee, the distinguished gentleman from Texas [Mr. THOMAS] proved himself to be one of the most able interrogators I ever heard on any appropriation subcommittee of which I have been a member. When he asked a question, he used it as a foundation and followed it up until he got the information he wanted. None of the agencies were able to avoid his relentless and insistent questioning.

The other members of the subcommittee, the gentleman from California [Mr. PHILLIPS] the gentleman from Tennessee [Mr. GORE] and the gentleman from Alabama [Mr. ANDREWS] were all faithful in their attendance, diligent in their study and most penetrating in the questions they asked.

It was a pleasure to work with all of them and also to have the assistance of Mr. Duvall, clerk of the committee, who is one of the most experienced clerks in the entire Appropriations Committee. Certainly he is irreplaceable so far as this particular subcommittee is concerned.

As I stated, it was a pleasure to work with all these gentlemen. Every one is a loyal American who seeks to serve his country well.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Michigan.

Mr. FORD. Has the committee appropriated enough funds for the Veterans' Administration to handle repayment of the insurance money that belongs to the veterans under their contract?

Mr. CASE of South Dakota. We did not have a budget estimate on that. In fact, the gentleman will find if he will refer to page 300 of the hearings, part 2, and following, that the Veterans' Administration does not know yet how much is to be paid in those insurance dividends. But we did provide them with the money to continue their study; however, the bill for the actual refunds has not been presented as yet.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Kansas.

Mr. REES. There has been a considerable amount of questioning of the chairman of this subcommittee with respect to the number of employees required in the various agencies. Can the gentleman give us an estimate as a result of his study whether we will have more employees or less employees across the board in these various agencies?

Mr. CASE of South Dakota. There will be several hundred fewer employees across the board if the committee sustains our subcommittee in the position it took on this bill.

VETERANS' HOSPITAL CONSTRUCTION

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Ohio.

Mr. VORYS. I understand that the authorizations for hospitals in the Veterans' Administration have been left intact. Am I correct in that?

Mr. CASE of South Dakota. Does the gentleman mean for construction purposes?

Mr. VORYS. For construction purposes.

Mr. CASE of South Dakota. That is true. The gentleman is aware that last fall the President and the Bureau of the Budget directed the Administrator of the Veterans' Administration not to proceed with the construction of certain hospitals. The estimated contract authority involved amounted to $237,000,000. The committee did nothing with reference to that. It was suggested that we might rescind that much of existing contract authority. We did not and would not unless we could conduct an intensive study of each individual hospital and determine which ones should be retained and which ones should be thrown out. We thought it might be possible some of that contract authority would be absorbed or would be needed in the completion of hospitals already started. The situation is that the contract authority still remains if the Administrator and the Bureau of the Budget agree that the original hospital-construction program should proceed with respect to any particular hospital, in which case they have the authority to do so.

Mr. VORYS. I think the gentleman has answered my question which was: Does not the Veterans' Administration have full authority to decide where hospitals should be built?

Mr. CASE of South Dakota. The Federal Board of Hospitals passes upon the location of the hospitals but, of course, looks to the Veterans' Administration for recommendations on sites for veterans' hospitals.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. THOMAS of Texas. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. HAVENNER].

Mr. HAVENNER. Mr. Chairman, I take this time so that I may ask the chairman of the subcommittee if he will explain to the members of the Committe just what was the intent of his subcommitte in recommending an appropriation for the Selective Service System for the ensuing year? As a member of the Committee on Armed Services it is my understanding that the Department of the Army has reported to the Congress that it does not need any more draftees at the present time, and, as I think all of the members of the commitee know, the Navy and Air Force have not requested any draftees at any time since the present Selective Service Act was enacted. Can the gentleman tell us how the committe intended that the Selective Service System would function during the coming year?

Mr. THOMAS of Texas. I will be delighted to answer the gentleman from California. Our information is just ex-

actly as he has detailed it, and with that though in mind we cut their funds tremendously, about 50 percent, or in the neighborhood of that, on the theory that the armed services were not going to call any of these boys as they registered. Certainly, they are still subject to a penal offense if they do not register, so what we did was to leave each of the local boards a part-time employee to classify and register them, and that is all. Does that answer the gentleman's question?

Mr. HAVENNER. The intent of the committee is that the Selective Service System for the present will function on a stand-by basis?

Mr. THOMAS of Texas. That is it exactly.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. HAVENNER. I yield to the gentleman from New York.

Mr. KEATING. I would like to address a question to the gentleman from Texas. I note on page 463 of the hearings that the head of Selective Service was seeking as many employees for his headquarters office for 1950 as he had in 1949, and 25 or 30 more than he had in 1948, and still we are told that there is to be no more draft. In fact, the same follows down in the field; the number of employees is about the same. Can the gentleman explain why it is that they do need all of these employees when we are told by the Army that there is no need for a draft?

Mr. THOMAS of Texas. I believe my distinguished friend from New York will agree with me that they do not need them all. They are overstaffed in the District of Columbia, and we clearly indicated that in the hearings. The number requested is far in excess of their needs, and what we did, I will say to the gentleman, was to cut that appropriation about 40 percent and gave to them the discretion to apply the cuts; but they must, of course, under that formula laid down, reduce the administrative costs in the District of Columbia, because if they do not, they will not have enough money to maintain a skeleton force back in their local offices.

Mr. KEATING. The gentleman does feel, then, that they do need half as many employees without the draft operating as if the draft were in operation.

Mr. THOMAS of Texas. That is about right.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. HAVENNER. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. I would like to ask the gentleman about an item in the report under Public Housing Administration. As I understand, that was the Administration that took care of the so-called slum clearances, and settlements like that, in the different cities in the various States.

Mr. THOMAS of Texas. That is correct.

Mr. NICHOLSON. It is my understanding that there has not been a house built for around 8 or 9 years, and we carried an appropriation last year of $9,500,000. The committee has cut it almost $1,000,000.

Mr. THOMAS of Texas. I will say to my friend from Massachusetts there is no construction money in here for public housing. We are waiting for the legislative committee to pass some type of bill, whatever it may be. The funds the gentleman sees in there represent the Government's contribution, that has been made from year to year since the act was passed in 1937, looking toward maintenance and operation.

Mr. CASE of South Dakota. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. HAND].

(Mr. HAND asked and was given permission to revise and extend his remarks.)

Mr. HAND. Mr. Chairman, I am a little disturbed about one omission in this bill, which has to do with the training program of the Merchant Marine Academy at Kings Point, a subject which comes within the field of the Committee on Merchant Marine and Fisheries, on which I serve. The Committee on Appropriations has cut the recommendation for maritime training approximately in half. I think the total sum provided was originally $6,000,000, and that has been cut to some $3,000,000. There may well have been ample excuse to make a substantial cut in this training program; I am not sure about that; there may have been some chance here for economy. But in connection with cutting down that appropriation for maritime training the committee has in effect, and deliberately, because their report indicates it, cut all pay for cadet midshipmen at the Merchant Marine Academy at Kings Point, I think on the assumption that perhaps there is a sufficient supply of trained merchant marine officers presently and that this program is not worth the money it is costing the country. The truth is that the cadets at Kings Point in the Merchant Marine Academy, like the cadets at West Point and at Annapolis and in the Coast Guard Academy at New London, all receive a monthly allowance. It is not a salary, it is not pocket money or spending money, it is an allowance which is needed for those boys to maintain themselves in that school unless they have independent means.

Some break-down of the average use of that $65 per month has been handed me by members of their Alumni Association, who are very much concerned about this problem. Among other things, they have to spend an average of about $15 for uniforms every month, and their textbooks cost them $4 in addition to those that are supplied. They have laundry and cleaning, too. Their uniforms, of course, have to be spick and span.

The result of cutting out this $65 monthly allowance to the cadets at the Merchant Marine Academy is feared to be that those cadets or a great many of them (it has been estimated as high as 50 percent), may have to leave that school, and that it will be very difficult to get a proper type of men to enter that school in the following year. In my judgment, that would be a very disastrous thing.

I call your attention to the fact that during the last World War, 2,000 men who were trained as merchant marine officers at Kings Point served on naval vessels as officers in connection with our naval activities, and that a great many others, the balance of the men, almost, who had been trained there, served in our merchant marine.

Yesterday we appropriated some $16,000,000,000 for our armed services. We appropriated to the Navy, as I recall, in excess of $5,000,000,000, notwithstanding the fact that our Navy now is probably three or four times as large and as strong as all the navies in the world put together. On the following day, having given the Navy $5,000,000,000 and having given the armed services $16,000,000,000, we are cutting out this $65 allowance to cadets of the Merchant Marine Academy who are training to be merchant marine officers, without which the Navy and without which the merchant marine of this country cannot operate in the future.

I think, to use a very trite phrase, that we have again been penny-wise and pound-foolish in striking out this comparatively small amount; in my judgment, striking out what will make for efficiency and the future welfare of that very fine Academy at Kings Point, and the merchant marine generally.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. HAND. I yield.

Mr. CANFIELD. I call to the attention of the Members a resolution of the American Legion at its twenty-ninth annual convention in New York City in August 1947, which reads as follows:

Resolved, That we urge the continuance by the United States Merchant Marine Cadet Corps in its Academy at King's Point, N. Y., and its cadet schools at San Mateo, Calif., and Pass Christian, Miss., so that needed naval reserve officers may be trained for the merchant marine.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. THOMAS of Texas. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. MCKINNON].

Mr. MCKINNON. Mr. Chairman, I am gratified that the subcommittee under the chairmanship of the gentleman from Texas [Mr. THOMAS] has retained the $620,500,000 appropriation for veterans' hospitals, already twice passed by this House.

Many of us who have interested ourselves in the veterans' problems realize that in many areas we do not have sufficient hospitalization facilities.

Especially is this true in California, where the war boom has nearly doubled our population and where, due to the kindness of climate and other attractive features, our veteran population has increased at an even higher ratio than the regular population.

Following a critical survey of long duration, the Veterans' Administration last year announced the need for the establishment of a 200-bed general medical

hospital. Money was earmarked for construction, bids were called for, land acquired, and the contract was prepared and ready to sign when, out of a blue sky on January 10 of this year, the Administration suddenly canceled construction of this hospital, together with 23 others which this House had appropriated funds for.

What we cannot understand in San Diego is why this hospital was declared necessary in 1948 and suddenly, after 10 days of a new year, was declared unnecessary.

The veteran population has not decreased. The need for hospitalization was just as acute. All the factors that had led to the decision to build the hospital in the first place were still the same.

Upon the basis of evidence, I am sure that if the President, the budget office, and the Veterans' Administration will review the need for additional veterans' hospital facilities throughout the country, they will change their decision of January 10.

That is why I am gratified that this appropriations bill continues the House action twice sustained by providing the money necessary to build the 24 hospitals and thus allowing the Administration the opportunity to review the veterans' hospital problem and correct a mistake made early this year.

(Mr. McKINNON asked and was given permission to revise and extend his remarks.)

Mr. CASE of South Dakota. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. PHILLIPS], my colleague on the committee.

(Mr. PHILLIPS of California asked and was given permission to revise and extend his remarks.)

Mr. PHILLIPS of California. Mr. Chairman, it is so obviously impossible to discuss a bill of this length, having in it so many agencies of Government, in so short a time, that the principal problem of any speaker, and especially of any member of the subcommittee, is to try to cover a few important points without duplicating what has already been said by the preceding members of the subcommittee.

Mr. Chairman, it has been my pleasure and privilege to serve on this committee for, now, a matter of 3 years. I did not ask to be assigned to this committee. I doubt if, knowing what I now know about the committee and the work assigned to it, I would have had the courage to ask to be assigned to it. But, being on the committee, I have found it one of the most interesting experiences in my legislative career.

I say with sincerity that I have served under two of the most able chairmen I have ever known, the gentleman from Massachusetts [Mr. WIGGLESWORTH], during the last Congress, and the gentleman from Texas [Mr. THOMAS] this Congress. Both gentlemen have a great background of knowledge and a real ability in examination. In the case of my chairman this year, the distinguished gentleman from Texas [Mr. THOMAS], he has a memory which is constantly my personal envy. The other members of the committee, the gentleman from Tennessee [Mr. GORE], the gentleman from Alabama [Mr. ANDREWS], have served on the committee before, and the gentleman from South Dakota [Mr. CASE], who returns to the committee bringing with him his background of knowledge. My work on the committee has been made very interesting by these gentlemen.

But, Mr. Chairman, I wonder if the Members of the House realize that in the hands of 10 Members of the Congress, 5 on the Subcommittee on Appropriations for the Independent Offices, the appropriation bill for which is now before you, and 5 on the Committee on Armed Services appropriations, which bill you passed a day or so ago—as I say, in the hands of these 10 Members of the Congress rest the examination and decisions on budgetary items representing 60 percent of the budget of the Federal Government. It is a very serious responsibility, as well as a personal honor, to those who are the subcommittees. I have felt that we did not do a wise thing in the whole Committee on Appropriations in doing away this year with the research staff which the Eightieth Congress had set up as an aid and adjunct. I think further it is to the credit of the chairman of the subcommittee on which I serve, the gentleman from Texas [Mr. THOMAS] that we have been able to bring you a bill which is as well analyzed and of which I am as proud as I am of the present bill. We have a good staff. We have Bill Duvall, who is on the floor today. We have Homer Skarin, who is our apprentice clerk and comes to this subcommittee for the first time this year. Without them we would not have been able to do the job we have been doing.

The result of this is not only good will in the committee and friendly relations among the members, but what is much more important to my mind, a good budget when it comes to the floor. I do not mean to say that I agree with everything in the budget. I do not. We do not make laws that way. We make laws by working things out.

For example, it is a sort of family joke in our subcommittee that every time the Council of Economic Advisers is mentioned, and the money for them, I will object.

If you want to read some fantastic testimony, you ought to read the testimony of the Council of Economic Advisers in the budget hearings a year ago. We have here three distinguished gentlemen who do not agree, yet who advise the President. At the moment two of those distinguished advisers think we are approaching inflation, while the other one thinks we are approaching what he calls a wholesome disinflation. Yet I accept that item, if it is the will of the committee, and the will of the Congress, to put that in, hoping that some day the Members will read the hearings and then we will be able to save the people of the United States $300,000 a year.

In the same way, as I said the other day, every time the representative of the Solicitor's division in any of the bureaus or departments comes before a subcommittee, the attorneys on that subcommittee go after him because they know that the lawyers are spending too much money. In the same way, I know that the analysts are spending too much money.

I do not fully agree with the actual figures for one or two other items, yet I was well satisfied on the whole. This budget comes to the floor with the greatest reduction made by any of the subcommittees on budgetary work this year. As I said a moment ago, I am proud of it.

I made only one reservation in the subcommittee. You know, it is customary, if you cannot go along with the committee on some decision, to say, "Well, on that point I will take a reservation." I have not felt that I could go along with the cut in the Maritime Academies, which represented the amount of money paid to the student trainees and for the enlisted men, in such courses as electricians or bakers. I felt that I could not go along with it, meritorious as some of the arguments were, because I think I am defending the integrity of the United States Congress.

Mr. McGRATH. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield.

Mr. McGRATH. Does the gentleman not feel that we have a moral obligation to those young men who are now students, 1,351 of them, and does not the gentleman feel further that we are repudiating our obligation to those men who have been receiving that payment of $65 a month?

Mr. PHILLIPS of California. I think the gentleman's point has a great deal of merit. I hope the gentleman will take time under the 5-minute rule to expand it. The point I was making was that in reality this involves a policy change in connection with the Maritime Academies. If policy changes are to be made, I submit to you, Mr. Chairman, that those policy changes should be made by the Congress. I dislike to have the Bureau of the Budget which, already, in my opinion, is getting a little big for its breeches, making policy changes and sending them down to the Congress of the United States. I am hopeful that this subject will have thorough consideration by a legislative committee in the immediate future. That is, even before this bill has gone to or through the Senate, that we may have some expression from Members of the legislative committee as to what, in their minds, was the intent of the Congress in making subventions and payments to students, as we have made to the Maritime Academies.

I see the distinguished chairman of the Committee on Merchant Marine and Fisheries in the Eightieth session seeking recognition. I wish to say that in my opinion there is very serious question as to whether or not the expenditure of $80,000,000 or $60,000,000, whatever it is to be, for one very large passenger ship is something that should be done without legislative expression by the Congress. Are we to put $20,000,000 of the company's money and $20,000,000 of the taxpayers' money as a subsidy into its building, and then add another $20,000,-

000 of taxpayers' money under some presumption of defense need to build the largest ship afloat despite testimony we have had recently—I think the gentleman from Ohio [Mr. WEICHEL], who is here, will agree and the other members of the committee—a ship that could be sunk by a bomb, and when there is danger from snorkel submarines—certainly, such expenditure should receive an expression of approval by the Congress.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. CASE of South Dakota. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. LEONARD W. HALL. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the distinguished gentleman from New York [Mr. LEONARD W. HALL].

Mr. LEONARD W. HALL. I should like to ask the gentleman if the $65-a-month allowance is eliminated, does not the gentleman believe effectively destroys the Merchant Marine Academy at Kings Point?

Mr. PHILLIPS of California. I, myself, think that it does; I think it either closes the academies or at least it destroys the basis upon which we established them, which was a basis of opportunity for all classes of students without regard to financial status or background; in other words, we might as well say we will close West Point and Annapolis because we do not need any more officers than we have now, or that the students there shall pay their own expenses.

I now yield to the gentleman from Ohio [Mr. WEICHEL].

Mr. WEICHEL. I should like to ask this question: In view of the statement of the chairman of the Committee on Appropriations yesterday that another war might last only 3 weeks, talking about the atom bomb, and about the air forces, did the Committee on Appropriations with reference to the Maritime Commission have the benefit of his thinking when they put up the $80,000,000 for one single ship which could be sunk by one bomb, instead of appropriating money for three smaller ships?

Mr. PHILLIPS of California. The gentleman has brought up a most interesting point. The committee does not put up the money for the $80,000,000 ship; the committee puts up the money, under acts passed by this Congress, for a large amount of money to be spent by the Maritime Commission for such ships as they think should be built for the benefit of the United States or for similar expenditures under the law. Now, my thinking, and undoubtedly it is in the gentleman's mind also, is that when we come to the expenditure for one single boat of a size over 25,000 tons, or something like that, the issue becomes so large, and the expenditures so great, that it should be passed upon by the Congress just as it was proposed, in the case of extra-size battleships or flat-tops, that they should come to the proper legislative committees for an expression of the views of Congress.

Mr. WEICHEL. It should not be within the power of one Commission to spend $80,000,000 without congressional approval.

Mr. PHILLIPS of California. It should not. Eighty million dollars to me is still a good deal of money, especially in these days of atomic bombs and very good submarines.

I yield to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. I just referred to the American Legion's expression concerning this Academy and its work.

Mr. PHILLIPS of California. I heard the gentleman.

Mr. CANFIELD. Is this not true: If we cut out these allowances, the only students who will be able to attend the Academy will be students of means, thereby setting up a class distinction?

Mr. PHILLIPS of California. That argument is very ably supported, and I do not want to stand here and say I know the answer; but to me it is a subject of sufficient importance to be decided not by the Bureau of the Budget but by a legislative committee; and, certainly, I hope it will have consideration on the other side of the Capitol.

Mr. CANFIELD. One further observation, if the gentleman please: I think it is most unfortunate that the one witness who was heard on this item made this statement: "Let's put Kings Point in mothballs."

Mr. PHILLIPS of California. I yield to the gentleman from California, my colleague [Mr. McDONOUGH].

Mr. McDONOUGH. I wonder if the gentleman could explain this item in the report of the committee which refers to the President's budget that cut out some 16,000 beds from veterans hospitals. First, let me read it:

> The committee is of the opinion that this reduction program originated in the Bureau of the Budget and perhaps was not thoroughly considered; therefore it has eliminated the proposed recission of $237,000,000 for contract authorization from this bill.

Mr. PHILLIPS of California. If the gentleman will take time under the 5-minute rule and ask me that question again, I will have time to answer. That money was never removed, it has always been ready for expenditure. It is a contract authorization and not cash. The gentleman is correct, the Bureau of the Budget proposed that this committee rescind it, but the committee did not agree with the Bureau of the Budget. If the gentleman will ask me later I will answer more fully.

Mr. Chairman, it has been a pleasure to serve on this subcommittee. This bill, in my opinion, is a good one.

Mr. CASE of South Dakota. Mr. Chairman, I yield 5 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

(Mrs. ROGERS of Massachusetts asked and was given permission to revise and extend her remarks.)

Mrs. ROGERS of Massachusetts. Mr. Chairman, there is one program I never heard any criticism of from any one in the country. That is taking care of our disabled veterans in the hospitals. The country was shocked when, at the direction of the budget, with the President's approval, because he issued the order, there was a cut-back in construction and additions to some 24 hospitals. This appropriations committee has done nothing to further the President's directive but, on the contrary, has left the authorization for the appropriation in this bill.

Mr. PHILLIPS of California. I do not want to take the gentlewoman's time, but may I say if she will ask for time under the 5-minute rule I will then answer that question.

Mrs. ROGERS of Massachusetts. I will be glad to discuss it then.

Mr. Chairman, we appropriate billions and billions of dollars, we spend hours and hours of debate in reference to relief for other countries. This country has a big program of help for hospitals in Latin America. I realize that today it will be impossible, without the making of the point of order that a quorum is not present, to get a vote on the $48,000,000 which I would like to have added to this bill, the amount that General Gray says he needs for 15,549 additional employees. He said they were necessary over and above the budget as reported out of the committee. In other words, the committee has taken the budget's recommendation on the amount of money to be expended for hospital employees—doctors, nurses, dentists, the laboratory staff. It might be that out of the 15,000 there would be a thousand or so employees in regional offices. They would be chiefly doctors, nurses, dentists, and some clerks. The other employees would all be Veterans' Administration hospitals and domiciliary homes.

It is my understanding that there are now 3,484 beds unavailable because of a shortage of personnel today and if more money is not appropriated still more beds will be unavailable.. Every Member of Congress knows that he has veterans in his district who require prompt hospitalization.

The care of the veterans by the Veterans' Administration has been very nearly above reproach. Visiting doctors from other countries have told me that they consider it the finest medical service for the service men in any country they have visited. Many persons believe that the Veterans' Administration Medical Service is by far the finest in our country, and for the Congress to do anything that would curtail that service seems to me unthinkable. I realize there are very few Members on the floor today. Those living at a distance have gone to spend Easter at home, not for a holiday, because I do not think there is a holiday for a Member of Congress when he is in his district or in Washington. We probably could not get a quorum to get the amendment through, but I am sure the Senate will add the $48,000,000 that General Gray has requested for the keeping of the personnel necessary to take care of the veterans, to staff the hospitals that are already constructed or under construction now and ready within a few months. I am very sure that in the other body the gentleman from Florida, Senator PEPPER, at the head of that subcommittee, will give the $48,000,000 additional for hospital personnel. I attended very fine hearings that the Senator held regarding the cut-back of the hospitals at the direction of the Bureau of the Budget last autumn. Our own House committee is calling the Director of the Budget

before it, and I hope that we will have valuable information along that line and that our Committee on Veterans Affairs will insist that the work on hospitals that were cut back last year be continued.

It is obvious to me that a doctor should be placed on Budget Groups that make recommendations for hospitals and care of patients.

Mr. CASE of South Dakota. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. FORD].

(Mr. FORD asked and was given permission to revise and extend his remarks.)

Mr. FORD. Mr. Chairman, I wish to endorse the action taken by this committee in recommending the continuation of the $237,000,000 contract authorizations for the construction of the various Veterans' Administration hospitals. I hope the administrative and executive authorities who made the cut in January 1949 will take this action by the committee and the Congress as an indication of the attitude of this Congress.

Back in 1945 or 1946 a very careful and detailed analysis and study was made by competent authorities and at that time it was determined that 32,000 additional beds should be constructed in the next few years under the Veterans' Administration hospital building program. The study was carefully made; the problem was scrutinized in great detail. It was determined by these authorities that there was a "need and necessity" for the additional VA hospital beds. Suddenly, in January 1949, when the program was well on its way, a hurried determination was made obviating the careful work which had previously been done. During the early period of hospital construction under this plan a number of hospitals were started; others in late 1948 and early 1949 were on the planning board. For one reason or another a few of the proposed hospitals had not been started as quickly as others. I say to anyone that the determination made in January to cut a part of the program was not made after a thorough analysis. It was hurriedly decided, and as the result we have an aggravation of a condition that had previously existed to some extent, namely, in some geographical areas in this country we have a surplus of VA hospital beds and in other geographical areas we have too few.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Michigan.

Mr. DONDERO. It so happens that the cut that was made affects the State of Michigan most adversely, because it took away from us two hospitals that we are badly in need of to take care of the veterans who really need aid.

Mr. FORD. That is correct. The gentleman from Michigan has said it very well. The State of Michigan has suffered for a number of years from a lack of Veterans' Administration hospital facilities, and this program, if it had gone through with change, would have rectified those mistakes. Michigan needs the 200-bed general medical hospital in Grand Rapids and the TB hospital in the Detroit area. I repeat that the cut has only aggravated the previous condition, namely, too few beds for veterans in the State of Michigan.

I should like to bring out some testimony that was heard before this subcommittee, and I think it emphasizes the point I have just made. Dr. Magnuson was testifying. He is a ranking executive with the Veterans' Administration. Dr. Magnuson said this:

Iron Mountain, Mich. I do not think we are going to be able to staff that.

Mr. THOMAS. Where do you want to move it?

Dr. MAGNUSON. Either Grand Rapids, or increase the size of Ann Arbor.

General GRAY. Iron Mountain is up in the Upper Peninsula; is it not?

That illustrates this simple point. Cuts were made on an illogical basis. Iron Mountain, Mich., is in the far western part of the Upper Peninsula of Michigan. Under the original program it was to have a 200 or 250-bed general medical hospital. Iron Mountain is in a somewhat isolated area. It is in an inaccessible area to most of the veterans in the State of Michigan, and furthermore it is in an area where it will be difficult to provide properly trained staffs.

In contrast, Grand Rapids, where the VA cut out a 200-bed general hospital, we can provide an adequate staff, and the hospital facilities would be easily available to most of Michigan's veterans. That hospital, by Dr. Magnuson's own testimony, is far preferable as far as a location for facilities for the treatment of the veterans in the State of Michigan. I have no objection to the completion of the VA hospital at Iron Mountain, but if Dr. Magnuson thinks we need the one in Grand Rapids as he so indicated, it certainly ought to be constructed under the program with the present contract authorizations. By supporting this bill we demonstrate the attitude of Congress on the VA hospital program. It should go forward where there is a true need and necessity, and by Dr. Magnuson's own testimony the hospital in Grand Rapids should be built.

Mr. THOMAS of Texas. Mr. Chairman, I ask unanimous consent to revise and extend the remarks I have made heretofore.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMAS of Texas. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. DOYLE].

Mr. DOYLE. Mr. Chairman, I see from the committee report and the splendid report of committee hearings that the estimated veterans population of the United States as of January 1, 1949, is approximately 19,000,000. I have before me the official figures from the veterans' department of my native State of California showing that on January 1, 1949, the veterans population in my native State of California was 1,700,000. Therefore, it is plain that the State of California has approximately one-tenth of the total veterans population of the United States at this time.

As I read the accumulated and uncontradicted evidence of need, it is clear that the hospitalization of veterans is at present not adequately provided for.

Granting that the distinguished leaders of the veterans' organizations are very, very close to the problems of the veterans, I know it to be a fact that tireless, intelligent work by them in protecting the hospitalization needs of the veterans has produced proof of too much slack in such matters.

For your guidance and favorable consideration I submit documentary statements by several sound, reliable, citizens on the subject. Therefore, after I produced my own statement before the Senate committee on March 16, 1949, I produced data to guide your approval of further hospitalization for veterans.

VETERANS' HOSPITALS

(Statement of Representative CLYDE DOYLE, Eighteenth District, Los Angeles County, Calif., before Senate Committee on Labor and Public Welfare, March 16, 1949)

Mr. Chairman and members of the committee, I thank you for the invitation extended that I express to you my opinion with regard to the hospital problem, especially in the State of California, as it relates to veterans. I appreciate this invitation because I have been and am especially interested in this problem of our treatment, as a nation, of those who have served in the armed forces in the defense of our democracy.

Thousands of veterans who are presently in these hospitals throughout the Nation are now and always will be unable to perform any normal function of life, excepting that of breathing and taking in the necessary food values. Arms, legs, portions of bodies and minds have been irreparably damaged, or almost completely, if not completely, destroyed. I take it for granted, Mr. Chairman, that no one with any humanity in his soul wants any such crippled and damaged veteran to have less than the best of hospitalization. But only to a little less degree is it likewise essential and just that the taxpayers of the nation see to it that adequate hospitalization is given to any veteran needing it who has served in the armed forces. On this principle I base my remarks and state as follows:

My information, from the Veterans of Foreign Wars of the United States, from the office of Alvin F. Kime, department commander, San Francisco, Calif., through his director of rehabilitation service, the distinguished veteran, Nelson Bushey, as furnished me on February 15, 1949, is as follows:

"We have seven Veterans' Administration hospitals in the State with a capacity of 11,332 beds; also eight Army and Navy and four private hospitals under contract to the Veterans' Administration with a capacity of 1,692 beds. Of the 11,332 beds, 3,388 are comiciliary beds. I find there is a waiting list of 735 non-service-connected cases at this time of which 29 are general medical, 174 are tubercular, and 539 are NP (mental). I also learned that we have over 1,900 NP patients who are veterans in the State mental hospitals. Simple analysis indicates a need of 3,500 beds over and above the Veterans' Administration's present capacity. We also find a large number of patients are out on furloughs from the hospitals, many of which may again need hospitalization. There are over 1,000 NP or mental patients being treated in Veterans' Administration clinics in addition to those hospitalized. The Veterans' Administration reports that there are no service connected cases on any waiting list. New hospitals proposed in

this State will provide 2,000 NP beds and 450 general medical beds plus 249 tubercular beds in addition to existing hospitals at Livermore and San Fernando. In my opinion we need at least 15,000 beds for all purposes in the State of California."

The patriotic service and endeavor of the Veterans of Foreign Wars throughout the United States for the protection of disabled veterans and the sick and the lame and the halt and the blind and the service-connected disabled veterans of our Nation is so well known that I just need to barely remind you of their outstanding service over a long term of years. From my personal knowledge and observation, Department Commander Alvin F. Kime of the Veterans of Foreign Wars of the United States of the Department of California, and all his associates have and are doing a consistent, patriotic, unselfish piece of splendid work in this necessary field, and I feel the information I have given you, as furnished to me by Commander Kime, is of utmost and immediate value and guidance. You will note, gentlemen, that, through Commander Kime, I am told that the opinion of the Veterans of Foreign Wars of my native State of California is that we need at least 15,000 beds for all purposes in the State of California.

And upon inquiry, and in like manner, I am pleased to have been furnished by Lewis S. Sloneker, director of rehabilitation of the American Legion, Department of California, Los Angeles, Calif., a statement that substantially shows that the rapid growth of California's veterans population continues to be a much heavier burden on the taxpayers of the State of California than is ordinarily the case in any other State. Director Sloneker writes me, and I quote:

"This is true because the Federal Government is not assuming its responsibility of caring for the sick and disabled veteran."

I think it appropriate to include in my remarks two statements sent me by Director Sloneker, as follows:

"Some important people in Washington are advocating that the Federal Government curtail its responsibility to the veteran, while others order cut-backs in construction of badly needed hospitals previously approved by every branch of the Federal Government concerned. These same people at the same time are shirking their responsibility to the very men and women who made it possible for our Nation to remain free, are supporting expenditures of large amounts of our taxpayers' money for foreign relief throughout the world. Some of this money is going to our former enemies who caused so many of our own to be sick, disabled, and in need of hospital and medical care today. We do not intend to stand idly by and see our veterans suffering while our former enemies are cared for with our taxpayers' dollars.

"Again, the Veterans' Administration continues to put out misleading information. The figures given out by them on the number of veterans waiting and in need of Veterans' Administration hospitalization, are far from the true picture. This sometimes leads one to believe that they have cast their lot with certain commercially-minded organizations with high-paid lobbyists in Washington who would sabotage the Veterans' Administration hospital program."

No doubt you have heretofore, or will be furnished a complete statement of veterans hospital needs in California as reported for the rehabilitation commission of the American Legion, Department of California, by Director Sloneker, so I will not now quote much of the content thereof, but it is significant and should be of controlling guidance to Congress that this commission of the American Legion states that there is needed "a total of 599 additional tuberculosis beds that the Veterans' Administration should have today to take care of the present needs in California." This conclusion is arrived at by said commission after an apparently thoroughly considered analysis of the facts as related to the actual needs.

In connection with the hospital at Corona, Riverside County, Calif., I have received many communications to the effect that this very valuable and strategically located hospital unit which proved of such great value during the war could be and should be logically used primarily for tuberculosis cases. I will not here argue in detail for this necessary development because I know you have already heard or will hear from those more intimately in possession of facts governing that feature of the situation. But I am again informed by the American Legion, Department of California, that there are many tuberculosis patients in California who are hospitalized under contracts in private sanitariums; and all of such are service-connected cases.

Would it not seem, gentlemen, that these should have a deserved preference or admission to Veterans' Administration hospitals, where they could have the most superior medical and hospital care it is possible to receive? I say that without any criticism of private sanitariums, either.

Likewise, I was informed that there were something over 100 active tuberculosis cases which were still in military service being hospitalized at the tuberculosis unit at the Corona naval hospital, of which I have just spoken. Would it not be in the interests of best treatment possible and efficient administration that, if Veterans' Administration tuberculosis beds were at all available, that then they should be reasonably transferred to the Veterans' Administration hospitals and be discharged from military service? Manifestly, to become a veteran and then receive compensation for 100 percent service-connected disability would mean additional finance to most of the cases.

I am reliably informed by the American Legion survey, as follows:

"In Los Angeles County alone, during the year 1948 there were a total of 953 veterans before the courts. Of this number, 248 were alcoholics. There were 110 dismissed, 418 committed to State hospitals, 235 committed to Veterans' Administration hospitals, and 117 to supervision. In other words, 24⅔ percent were committed to Veterans' Administration hospitals, 43⅘ percent committed to State hospitals, 18⅔ percent placed on supervision of the court and 12⅗ percent dismissed."

My home, being in Long Beach, Los Angeles County, Calif., I am interested to note that the very important and necessary Naval hospital situated in Long Beach under contract with the Veterans' Administration has 400 beds therein, which is the equal number of any Navy or Army hospital in my native State of California. I am glad that the Long Beach Naval Hospital has this available facility and is rendering this necessary accommodation.

May I just briefly relate that one of the chief reasons why I am particularly pleased in accepting your cordial invitation to speak with you on this important subject is that I am well aware that had my own distinguished son survived the fatal injuries received in his service as first lieutenant in the Army Air Forces, he, no doubt, would have been seriously invalided for life; and, therefore, might well have become a patient for the remainder of his life in one or more of the hospitals provided in the United States Government for its veterans who have fought and almost died for democracy—but who have not quite been called upon to make the supreme sacrifice. Perhaps it is better than otherwise that many of these boys who would have suffered physical tortures the rest of their days should have been called on ahead of the rest of the procession to future life.

VETERANS' HOSPITAL NEEDS IN CALIFORNIA AS REPORTED FOR THE REHABILITATION COMMISSION, THE AMERICAN LEGION, DEPARTMENT OF CALIFORNIA

(By Lewis S. Sloneker, director of rehabilitation)

The reports made by the Veterans' Administration as to the number of eligible veterans awaiting hospital admission is misleading and does not show by any stretch of the imagination their real need as to the number of hospital beds required.

It seems that their method or system of reporting waiting lists is more or less left up to the individual hospitals. A good example of this is that a hospital may actually have processed 100 applications for hospitalization, placing 50 of them on the waiting list and giving 50 of them an appointment as to when they could be admitted. The appointments may run anywhere from 1 to 30 days. The true picture is that 100 are awaiting admission to the hospital. Their report will show only 50. Another good example is that a hospital will have 100 applications for admission, 50 of them will be from individual veterans and the other 50 will be from requests for transfer from other Veterans' Administration hospitals. The Veterans' Administration will then show that the hospital involved has only 50 waiting admission, when the true picture is that they have 100 waiting. The latter example is especially true as it affects their reports from tuberculosis hospitals.

A good example of this is that on January 31, 1949, their tuberculosis hospital at San Fernando showed 63 as actually being on the waiting list, when a true report would show that they had 108 on the waiting list, because they had 45 applications awaiting transfer from other Veterans' Administration hospitals. To say that 45 veterans admitted to General Medical and Surgical Hospitals and later found to have active tuberculosis, and not counting them among those in need of beds in tuberculosis hospitals, is plain evasion of the issue.

On December 31, 1948, the Veterans' Administration listed in their reports, the number of veterans as actually being on the waiting lists in California, as listed below:

Tuberculosis:	
Livermore	43
San Fernando	49
Van Nuys (Birmingham)	45
Neuropsychiatric:	
Brentwood	259
Palo Alto	277
Van Nuys (Birmingham)	11
General medical and surgical:	
Wadsworth General	6
Oakland	20
San Francisco	1
Van Nuys (Birmingham)	2

To accept these figures as actual, is most misleading. The latter part of September 1948, Livermore Tuberculosis Hospital reported 126 as being on the waiting list; at the close of October 1948, 143; at the close of November 1948, 133, and then at the close of December 1948, 43. They just don't clean up tuberculosis waiting lists that fast without tuberculosis beds. It is true that many of them had been on the waiting list for such a long period of time that they died. Others managed to get into county hospitals. Others went elsewhere within the United States seeking medical and hospital care. Many remained home and exposed their children and other members of the family to the dreaded disease.

Another factor discovered, preventing the true picture of the number of veterans actually awaiting hospitalization, has to do with applications being held in some of the Veterans' Administration offices formerly known as sub-regional offices. Such applications do not show any place in the Veter-

ans' Administration records as veterans awaiting hospitalization.

Many tubercular patients are hospitalized under contract in private sanitariums. All are service-connected cases. They should have preference on admission to Veterans' Administration hospitals where they could have the more superior medical and hospital care than they are now receiving. Over 100 active tuberculosis cases still in military service are being hospitalized at the tuberculosis unit at Corona Naval Hospital. If Veterans' Administration tuberculosis beds were available it is reasonable to assume that they would all be transferred to the Veterans' Administration and discharged from military service. There is little, if any, question but what they are all service-connected. To become a veteran and receive compensation for a 100-percent service-connected disability would be additional finance to them. As for the most part, it would be over and above their service pay. It is not reasonable to assume that any of them will be returned to active duty. They should be counted to show the need for tuberculosis beds for veterans.

Some time later in the year it is hoped that additions to the tuberculosis hospitals in Livermore and San Fernando will be available. This will make available an additional 250 beds. We should not be misled to believe that this will be sufficient to take care of the load. The waiting list at present will more than fill them.

Within the past few months the Veterans' Administration has hospitalized in round figures 100 of our veterans suffering with active tuberculosis in Fitzsimons General Hospital (Army) at Denver, Colo., and Veterans' Administration Hospital at Fort Bayer, N. Mex. The medical authorities agree that one of the first and most important phases of the treatment of tubercular patients is to have them have a high morale, and to do this they must be hospitalized near their loved ones and friends in California. This would put them in a more proper frame of mind to respond more readily to treatment. A more true figure of the number of veterans immediately in need of tuberculosis beds in Veterans' Administration hospitals in California would be as follows:

Their December 31 waiting list admitted to be 137; 75 under contract in private sanitariums, 50 in general medical and surgical hospitals, 100 sent from California elsewhere, and should be returned; 100 still in service at Corona Naval Hospital. It is very reasonable to assume that there are at least as many veterans suffering with active tuberculosis in California who have not filed an application for Veterans' Administration hospitalization, as there are those admitted by them on the waiting list. The Veterans' Administration never had enough tuberculosis beds for veteran patients in California. Many veterans fail to file applications when they know it would do no good. A conservative figure would be to add 137. This would make a total of 599 additional tuberculosis beds that the Veterans' Administration should have today to take care of the present needs in California.

NEUROPSYCHIATRIC CASES

The actual number of veterans suffering with mental disabilities admitted on December 31, 1948, as being on their waiting list in California, were 547. To estimate how this figure increased, they reported at that time 259 awaiting admission at their Brentwood Neuropsychiatric Hospital. Today there are 357. Just 2 short of 100 more in a 40-day period. It is hard to describe the need without being ashamed of our Federal Government for its neglect in constructing enough hospitals for the proper care of these patients.

On the 14th of January we took part in a panel discussion in Sacramento sponsored by the California State Department of Veterans Affairs, at which time Mr. Dora Shaw Heffner, director of department of mental hygiene, State of California, stated that there were 1990 veteran patients in State mental hospitals, and further that during the entire year of 1948 that only 106 veteran patients had been transferred from State mental hospitals to Veterans' Administration hospitals. It is doubtful if there is a jail in the State which is not holding one or more veterans at this minute, waiting for them to be transferred to the psychopathic ward to their county hospital for later commitment to a State mental hospital.

In Los Angeles County alone, during the year 1948 there were a total of 953 veterans before the courts. Of this number, 248 were alcoholics. There were 110 dismissed, 418 committed to State hospitals, 235 committed to Veterans' Administration hospitals and 117 to supervision. In other words, 24⅔ percent were committed to Veterans' Administration hospitals, 43⅘ percent committed to State hospitals, 18⅔ percent placed on supervision of the court and 12⅗ percent dismissed.

We have no figures as to the number of veterans suffering with neuropsychiatric disabilities who may be in private institutions or fumbling and floundering around trying as best they can, with not too much assistance, to make a satisfactory social and economic adjustment.

GENERAL MEDICAL AND SURGICAL CASES

The veteran in need of hospitalization by reason of disability coming under general medical and surgical, has for the most part been more fortunate than the ones suffering from tuberculosis or mental diseases. This has only been made possible by the contract the Veterans' Administration has in California with Army and Navy hospitals. In addition to the 29 admitted on their waiting list as of December 31, 1948, we find that each of the Army and Navy contract hospitals are carrying a heavier veteran-patient load today than their contracts call for.

California, no doubt, has more veteran patients hospitalized in Army and Navy hospitals under contract with the Veterans' Administration than any other State in the Union. Their contracts are as follows:

	Beds
San Diego Navy	200
Corona Navy	225
Long Beach Navy	400
McCornack General (Army)	100
Oak Knoll Navy (Oakland)	400
Marc Island Navy	150
Letterman General (Army)	175
United States Marine	50
Total	1,700

Making a total number of 1,700 contract beds in Government hospitals other than Veterans' Administration. As stated above, there are more than 1,700 veterans hospitalized in them today.

Serious consideration should be given to what will become of the patients in these contract hospitals with the consolidation or unification of the Armed Service Hospitals under way. Some hospitals will be closed. The service patients in those to be closed will be moved or absorbed by other hospitals. Is this to freeze the veteran patient out? It is already reported that the Army's McCornack General Hospital in Pasadena is to be closed. Immediately we wonder what is to become of the 100 veteran patients under contract there.

In addition to the Veterans' Administration hospitals and those veteran patients that are under contract in other Federal hospitals, the State of California is doing as best it can to relieve the burden by operating the Veterans' Home at Yountville, Napa County. They have today approximately 200 general medical and surgical cases in their hospital and 1,150 members in the home. They have a waiting list of 295. This includes those waiting for hospitalization and domiciliary care. Each and every veteran hospitalized and domiciled at the Veterans' Home at Yountville are medically and legally eligible for care by the Veterans' Administration. The requirements for their admittance is identically the same as for the Veterans' Administration with the exception that they must have resided in California for a period of 10 years. Speaking of domiciliary, there are well over 300 veterans on the waiting list for domiciliary care at the Veterans' Administration Center, Los Angeles.

To sum up just a bit as to the present need for hospital and domiciliary beds for veterans in California, in addition to those now in existence, we find that we need 599 beds to take care of the present tuberculosis load; 1,750, if we are to count those in contract hospitals as showing the Veterans' Administration needs for general medical and surgical care; 745 known to be waiting for Veterans' Administration hospital admittance by reason of their mental disabilities. If we added only one-half of those in State hospitals we would bring this figure up to 1,745; and finally, 600 awaiting domiciliary care.

The question has been asked from time to time: How far does the Congress want the Veterans' Administration to go in building hospitals for veterans? Invariably one notes in the development of answers to this question that there seems to be no doubt as to the right of the service-connected veteran to be cared for for his service disablements. Moreover, it appears to be conceded by all who have studied this question that veterans suffering from tuberculosis and mental ailments should also be cared for by the Government. Private and State institutions are already filled, and there are no accommodations for them elsewhere. We find there is a total of 73,785 veterans, approximately half of whom are service connected, and the other half afflicted with tuberculosis and neuropsychiatric disabilities, nonservice connected. This leaves 30,116 classified as general medical and surgical, nonservice connected. The greater percentage of this group is hospitalized for chronic conditions. The Veterans' Administration reports that only 8 percent of all patient-days is taken up by the non-service-connected general medical and surgical patients remaining 30 days or less. It has been said that there is no need for financial screening of chronic cases as substantially all of these are soon made medically indigent by their disease. Can it be that all the agitation against the Veterans' Administration hospitalizing non-service-connected cases is stimulated by the meager 8 percent of patient-days taken up by the non-service-connected general medical and surgical patients remaining 30 days or less?

Another point that cannot be overlooked is that among the so-called nonservice connected requiring hospital care within 3, 4, or 5 years after the cessation of hostilities will be found many with damage to mind or body that can be traced to service. As of the present writing there are over 50,000 disability compensation claims pending adjudication. As of November 30, 1948, there were approximately 2,000,000 World Wars I and II veterans rated as service connected and in receipt of compensation for service connected disability. Compensation claims are being filed right along, 16,655 having been filed during the month of November 1948, for instance.

As of November 30, 1948, 14,907 veterans were awaiting admission to Veterans' Administration hospitals. These are the ones whose applications have been processed and certified. Statistics available from the Veterans' Administration do not reflect the hundreds of veterans who have become disheartened in waiting for hospital care, who

are mentally ill and are being cared for in city or State institutions, and the tuberculars who may even be staying at home because there are no beds in any kind of institution available for them.

When the number of chronically ill veterans now being hospitalized; the number of claims being filed and still pending adjudication; the number of veterans awaiting hospital admission; the untold numbers who are being cared for otherwise; and the definite plan for hospitalizing veterans established by Congress in 1924 and re-affirmed by Public Law 312 in 1935, are seriously considered, it is difficult to see the justification of economizing by restricting or even removing the privilege of hospitalization in Veterans' Administration hospitals.

Under date of June 25, 1948, an executive order of the President abolished the Federal Board of Hospitalization and assigned all of its duties to the Bureau of the Budget. This looks very significant. Some hold to the view that the Board even when it was actively functioning really had no great authority and that whatever it recommended or approved was subject to the final verdict of the Bureau of the Budget. Be that as it may, the fact remains that this Board was manned by high Government officials who presumably devoted some of their time to carrying out the instructions handed down by the President six years ago. To an outsider it seems quite evident that now the Bureau of the Budget has full sway in passing upon and coordinating all hospital construction activities of the Government. Probably that was what was originally intended.

From the above it may be found that the executive branch of the Government known as the Bureau of the Budget is more responsible for the cut-back, curtailment, delays and other confusion in making sufficient hospital facilities available for veterans than any other branch of the Government. Regardless of where the fault lies there is some necessary action needed now by the Congress of the United States.

VETERANS OF FOREIGN WARS,
DEPARTMENT OF CALIFORNIA,
San Francisco, Calif., January 20, 1949.

MEMORANDUM

To: Department commander.
Subject: Hospital bed survey.

In compliance with your request a survey of the hospital bed facilities in the State of California indicates we have seven Veterans' Administration hospitals in the State with a capacity of 11,332 beds; also eight Army and Navy and four private hospitals under contract to the Veterans' Administration with a capacity of 1,692 beds. Of the 11,332 beds, 3,388 are domiciliary beds. I find there is a waiting list of 735 non-service-connected cases at this time of which 29 are general medical, 174 are tubercular, and 539 are NP (mental). I also learned that we have over 1,900 NP patients who are veterans in the State mental hospitals. Simple analysis indicates a need of 3,500 beds over and above the Veterans' Administration's present capacity. We also find a large number of patients are out on furloughs from the hospitals, many of which may again need hospitalization. There are over 1,000 NP or mental patients being treated in Veterans' Administration clinics in addition to those hospitalized. The Veterans' Administration reports that there are no service-connected cases on any waiting list. New hospitals proposed in this State will provide 2,000 NP beds and 450 general medical beds plus 249 tubercular beds in addition to existing hospitals at Livermore and San Fernando. In my opinion we need at least 15,000 beds for all purposes in the State of California.

NELSON BUSHEY,
Director, Rehabilitation Service.

SAMUEL THOMAS POST, No. 326,
THE AMERICAN LEGION,
Long Beach, Calif., January 3, 1949.

Hon. CLYDE DOYLE,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: It is absolutely unnecessary for hundreds of our war veterans in California suffering with active tuberculosis to continue to be deprived of hospital care.

The Veterans' Administration have no tuberculosis beds available. At each of their tuberculosis hospitals is a large list of veterans known to have active tuberculosis awaiting hospitalization. In addition to their own hospitals being filled with patients, the Veterans' Administration is unable to obtain any further contract beds in State, county, or private hospitals for tuberculosis patients.

Medical authorities assure us that treatment in the early stages of tuberculosis is most important for recovery or arrest. At Corona, Calif., the United States Navy has 600-bed tuberculosis hospital which is one of the finest, if not the finest, in the Nation. There are at present approximately 500 vacant beds in this hospital. These vacant beds should be utilized to hospitalize our veterans suffering with tuberculosis by:

(1) The Navy extending its contract with the Veterans' Administration to include tuberculosis patients, or

(2) The entire tuberculosis unit of the hospital at Corona should be turned over to the Veterans' Administration. When either No. 1 or 2 is accomplished, the 100 Navy and Marine Corps tuberculosis patients could then be discharged from active service and become Veterans' Administration patients as they should be.

I urge you, as our Representative in Congress from this district, to immediately make contacts with the Veterans' Administration and the Department of the Navy in the interest of having them come to agreement without any further delay, to provide hospitalization for the veteran tuberculosis patients at Corona. It is requested further that you follow through with whatever contacts may be necessary, such as the Bureau of the Budget, or any other executive branch of the Government.

Yours respectfully,
D. W. HOWIE, *Adjutant.*

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
NATIONAL REHABILITATION SERVICE,
Washington, D. C., March 1, 1949.

DEAR MR. DOYLE: Recently the Veterans' Administration announced the cancellation of the construction of 16,000 veterans' hospital beds which that organization had previously recommended be constructed, and which recommendation had been approved by the Federal Board of Hospitalization, the Director of the Bureau of the Budget, and the President of the United States. This cancellation order affects the construction program in 18 or 20 States in the Union, and if the order stands it will mean that badly disabled veterans in need of hospitalization cannot receive hospital care from their Government.

I am attaching hereto copy of a resolution unanimously passed on February 18, 1949, by the National Welfare and Service Committee of the Veterans of Foreign Wars at its meeting held here in Washington. I have sent a copy of the resolution to the President and to the Administrator of Veterans' Affairs, and have requested that the President's order be rescinded.

We feel confident you have heard from the veterans of your State regarding the need for the beds eliminated as this office has received petitions and resolutions from all parts of the country.

There are certain groups in this country who have always been opposed to the Federal hospitalization of our veterans. These groups were active after World War I but fortunately their efforts were resisted by the officials of our Government and the necessary number of beds were provided. These same groups are active again and are seeking to defeat the hospital-building program which has heretofore been approved by the appropriate Federal officials. The attached resolution will clearly indicate the stand of the V. F. W., and we sincerely hope that all of the 16,000 beds eliminated, and such others as may be needed to adequately care for our disabled veterans will be built.

Your efforts in bringing about the construction of all of these beds will be greatly appreciated.

Yours very truly,
GEORGE E. IJAMS, *Director.*

Whereas the Administrator of Veterans' Affairs has announced the approval by the President of the United States, of a reduction of the veterans hospital construction program to the extent of 16,000 beds located in various sections of the United States; and

Whereas all of these beds were found to be needed and were recommended by the Veterans' Administration after a thorough study of the entire country; and

Whereas the previous recommendations of the Veterans' Administration for the construction of these beds received the approval of the Federal Board of Hospitalization, the Bureau of the Budget, and the President of the United States; and

Whereas there is even a greater need for these beds today than there was at the time they were recommended and approved by the United States Government officials; and

Whereas it is impossible in most sections of the country to secure adequate hospitalization for the veterans now seriously ill and needing hospital care; and

Whereas it is our opinion that the 16,000 beds recently eliminated from the construction program and additional beds for veterans in the various sections of the country are greatly needed to insure adequate hospitalization of those men who have offered their lives for our country: Now, therefore, be it

Resolved, That the National Welfare and Service Committee of the Veterans of Foreign Wars of the United States, request and urge the President and the Administrator of Veterans' Affairs to cancel the order recently issued for the elimination of these 16,000 beds; and further

That the Administrator of Veterans' Affairs be urged to expedite the construction of these and any other beds required for adequate care of America's disabled veterans; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States, to the Administrator of Veterans' Affairs, and to appropriate Committees and Representatives in the Congress of the United States.

STATEMENT OF ALVIN F. KIME, COMMANDER, DEPARTMENT OF CALIFORNIA, VETERANS OF FOREIGN WARS OF THE UNITED STATES, TO BE PRESENTED TO THE SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE, ROOM 42, CAPITOL BUILDING, WASHINGTON, D. C., WITH REFERENCE TO THE PRESIDENT'S ORDER REDUCING THE VETERANS' ADMINISTRATION HOSPITAL BED PROGRAM

MARCH 16, 1949.

In view of the fact that the President's order reducing the Veterans' Administration hospital bed program affects only one proposed hospital in California, I will confine my statement to data concerning the need for this hosptal in the San Diego area. Let us first take the over-all picture of veteran population covering increases from the year ending the war, 1945, up to our last figures of 1948. These figures are cited in order that

some approximate anticipation of the veteran population in this area in years to come can be arrived at. The number of veterans filing tax exemptions in the County of San Diego for the year 1945 was 15,967; for the year 1946 there were 22,466; for the year 1947 there were 28,017; and 1948 there were 34,002. Because of the steady increase from year to year, these figures speak for themselves. This tax-exemption report includes veterans who are entitled to an exemption by owning personal property, and come under the minimum of $5,000 valuation. Therefore, we can conclude that there is a tremendous number outside of these figures that cannot be ascertained in any other way than by strict veterans census. It is estimated by reliable sources that the approximate veteran population in the County of San Diego, Calif., is 160,000. It also must be taken into consideration that the regional office of the Veterans' Administration located in San Diego, Calif., is also responsible for the hospitalization of veterans residing in Imperial County and for which we have no factual figures.

A report from the Veterans' Administration on the case load in the San Diego regional office is 20692. Thousands of veterans have never filed with the Veterans' Administration. However, they are entitled to hospitalization and can be anticipated to file at some later date. Case files transferred into the San Diego office from other facilities for the months of January 1949, were 308, and February 1949, were 270. There is nothing that leaves us to believe that this influx of veterans will decrease, but it is our opinion that they will increase in the immediate future.

The only hospital facilities in the San Diego area at the present time is the Naval Hospital, with whom the Veterans' Administration has a contract for 200 beds per day. Figures compiled from the report of the Veterans' Administration office in the Naval Hospital show that from January 1, 1949, through March 6, 1949, 1,446 veterans were hospitalized and medication administered to many more than the 200-bed quota would provide for. In other words, there are more veterans in the hospital every day than the Veterans' Administration quota allows. Recent actions reducing the following hospitals to the status of first-aid stations is bound to create an unprecedented demand upon the Naval Hospital to care for its own personnel to the exclusion of veterans:

Naval Training Station, which contains 30,000 Navy personnel.

Marine Recruiting Depot, personnel unknown.

Marine Camp Pendleton, personnel unknown.

Naval Amphibious Base, personnel unknown.

North Island, personnel unknown.

Navy Repair Base, personnel unknown.

All ships at sea that have San Diego as home base.

With the shortage of naval personnel, shortage of medical staff, the shortage of bed space, it is very questionable as to whether the Navy will be able to take care of its own personnel, let alone the Veterans' Administration patients. It might be well to point out that any emergency or epidemic in the San Diego area would require the Navy to take care of its own personnel first, thus requiring Veterans' Administration patients needing hospitalization either to secure it in private hospitals within the area or travel extensive distances in order to be taken care of in Veterans' Administration Hospitals which, according to all reports, are all over loaded at the present time. It should be noted here that a tremendous number of neuropsychiatric patients are being taken care of in either private or county hospitals, due to the fact that hospitalization is not possible through the Veterans' Administration. This pertains also to persons having communicable disease and which require segregation.

The San Diego area is also peculiar in that it contains a great number of retired Army, Navy, and Marine personnel, along with their dependents who also are entitled to hospitalization either as retired personnel or as Veterans' Administration patients.

The temperate climate of the San Diego area attracts countless numbers of veterans having disabilities which would be aggravated by severe climate, and who have been advised by either private or Veterans' Administration doctors to seek a residence in an area having the climate enjoyed in the San Diego area. In my opinion, while a 200-bed Veterans' Administration hospital would be of tremendous value, it still would not be adequate to handle the case load of the San Diego area.

ALVIN F. KIME,
Commander, Veterans of Foreign Wars, Department of California.

(Mr. DOYLE asked and was given permission to revise and extend his remarks.)

Mr. CASE of South Dakota. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, I appreciate this consideration by the committee. I have asked for this time in order to explain to the members of the subcommittee and to the Committee of the Whole why I, or perhaps a Member on the other side of the House, intend to offer an amendment to insert into this bill funds for the War Claims Commission for its operation during fiscal year 1950.

I recognize that the first deficiency appropriation bill passed this House and went to the Senate, where an amendment was placed in the bill providing $100,000 for the initial operation of the War Claims Commission, established pursuant to the enactment into law of what was in the Eightieth Congress the bill H. R. 4044, now Public Law 896, Eightieth Congress. I would like to explain to the subcommittee that H. R. 4044 was a combination of several bills. One bill was introduced by the gentleman from Pennsylvania [Mr. VAN ZANDT], and that was concerned principally with the veterans of Bataan. Another bill was introduced by the gentleman from Texas [Mr. BECKWORTH] and concerned itself with the Alien Property Custodian and the closing into the Treasury of the United States all of the assets of Germany and Japan which were in the hands of the United States, and setting those funds up in what is called the war-claims fund. Then there was a bill introduced by me which had to do with some recompense to the 6,000 or 7,000 Americans who were interned by the Japanese after the capture of Manila, and the invasion of the rest of the islands of the Philippines. In the other body there were included certain provisions relating to the employees of Navy contractors on Midway and Guam and Cavite. This bill passed the House and Senate in the final days of the Eightieth Congress. It was not broadly debated. It was unanimously reported by the Committee on Interstate and Foreign Commerce and was unanimously approved by the House under suspension of the rules. It was unanimously approved, after amendment, in the Senate, and the conference report was also unanimously approved. I noticed in the course of the hearings before this subcommittee that very little was said by the budget officer, who testified—or else he did not express himself very clearly. Of course, the committee itself had little reason to know why the War Claims Commission had been established. But if you will remember, before the Japanese attacked Pearl Harbor, almost a year before that, the State Department of the United States gave warning to American citizens in all parts of the Orient, with the exception of the Philippines, to leave because of the imminence of war.

In the Philippine Islands, however, which was American soil, over which flew the American flag, the citizens of the United States who happened to be residents there—some 7,000 or so of them—were not only given a warning to leave, but were, in fact, encouraged to stay as a morale booster for the Filipinos. No provision whatsoever was made for them to leave. No ships were offered for them to leave on. I may say to the ladies and gentlemen of the House that while it was true that the civilians in the Philippine Islands were not given any such warning, the families of military personnel were removed from the Philippines by orders of the military, the Army and the Navy, almost a year before Pearl Harbor, thus leaving in the Philippines only those who were there as school teachers or employees of electric-light plants or whatever work they might have been engaged in in the course of their personal undertakings. In the coure of the 37 or 38 or 39 months, whatever it was, of their internment, these people were brutally mistreated and humiliated by the Japanese. They were starved and beaten. Many of them were killed. Their possessions were taken from them and those possessions were either taken by the Japanese or ruthlessly destroyed. The veterans of Bataan, who were included in this bill, are given $1 per day for each day of imprisonment by the Japanese in lieu of subsistence which they did not get from the Japs.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. CASE of South Dakota. Mr. Chairman, I yield the gentleman one more minute.

Mr. HINSHAW. Mr. Chairman, these veterans of Bataan, who suffered even more brutal treatment, are given $1 per day in lieu of subsistence, which they certainly did not get as prisoners of the Japanese. They, too, were most brutally treated by the Japanese, and to an ever greater degree than the civilian internees, they were beaten and starved and kicked around and forced to work in the rice paddies, and all that sort of thing. Will we forget the "death march" so soon. The $600,000 which I hope to put in this bill was recommended in the President's budget as a tentative estimate. Since then I talked with Mr. Lawton, of the Bureau of the Budget, who testified before this committee. He states that it probably will be too late

before the first deficiency appropriation is put into operation and the Commission set up, to make a real firm estimate as to the cost of this business for the next year. But he believe, in accordance with his own figures, as he testified before the committee in favor of this appropriation, that it will require approximately $600,000 for the War Claims Commission in the fiscal year ending 1950, which money does not come out of the Federal Treasury, but comes from the assets of Germany and Japan, which are in the hands of the War Claims Commission.

Mr. Chairman, there is no excuse for not providing operating funds for the War Claims Commission. Until it gets under way Americans—not Asiatics or Europeans but Americans—are dying for lack of care and subsistence enough to live on.

Mr. THOMAS of Texas. I have no further requests for time, Mr. Chairman.

The CHAIRMAN. Under the unanimous consent granted, the reading of the bill has been dispensed with.

Before amendments are considered, the Chair will consider points of order.

Mr. BROWN of Georgia. Mr. Chairman, a point of order. I make the point of order that section 310, appearing on page 79 of the bill, is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Texas desire to be heard?

Mr. THOMAS of Texas. The committee concedes that the point of order is good, Mr. Chairman.

The CHAIRMAN. The point of order is conceded by the gentleman from Texas. The Chair sustains the point of order.

Mr. CAVALCANTE. Mr. Chairman, I make the point of order that lines 3, 4, 5, 6, 7, 8, 9, and 10, on page 63 of the bill, is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. THOMAS of Texas. Mr. Chairman, the committee concedes the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. ANDERSON of California. Mr. Chairman, I make a point of order against the language on page 39, beginning with the comma, in line 14, reading as follows: "including the salary of a chairman at $15,000 per annum, to be appointed for a term of 4 years by the President, by and with the advice and consent of the Senate;" ending with the semicolon in line 17. I make the point of order that that is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. THOMAS of Texas. Only to the point of expressing my regret that my distinguished friend from California makes the point of order. But the committee is obliged to admit the point of order.

The CHAIRMAN. The point of order is sustained.

Are there any other points of order?

The Chair will not consider any points of order after we begin to consider amendments.

The Chair hears none.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment in behalf of the committee.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: On page 63, line 3, insert a new section in lieu thereof, as follows:

"SEC. 109. No part of any appropriations made available by the provisions of this title shall be used for the purchase or sale of real estate or for the purpose of establishing new offices outside the District of Columbia: *Provided*, That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor: *Provided further*, That in the event of an emergency, when the Congress is not in session, approval may be given by the Director of the Bureau of the Budget, within the limits of available funds."

Mr. McCORMACK. Mr. Chairman, a point of order. I make the point of order, Mr. Chairman, that that is legislation on an appropriation bill, the latter part of the amendment giving additional power and responsibility to the Director of the Budget.

The CHAIRMAN. Does the gentleman from South Dakota desire to be heard on the point of order?

Mr. CASE of South Dakota. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The Chair sustains the point of order.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: On page 63, line 3, insert a new section in lieu thereof as follows:

"SEC. 109. No part of any appropriations made available by the provisions of this title shall be used for the purchase or sale of real estate or for the purpose of establishing new offices outside of the District of Columbia: *Provided*, That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor."

Mr. CASE of South Dakota. Mr. Chairman, the language as now submitted merely protects the appropriations that are made from unapproved diversion. It applies only to funds in this bill. It is language suggested by the committee and has, I believe, the full support of the entire membership of the committee. I ask for its adoption.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, let us realize what this amendment means. I do not want it to go through with the simple statement made by my friend from South Dakota. The committee put in section 109, which was stricken out on a point of order made by the gentleman from Pennsylvania [Mr. CAVALCANTE]. Section 109 was an encroachment upon the rights and the privileges and the duties of the executive branch of the Government.

I may say that if section 109 had remained in, this bill faced the danger of a veto. I have here a memorandum that comes from very competent authority:

From the point of view of interference with administration—

I am talking about section 109, yet this amendment is a follow-up of that—

From the point of view of interference with administration, this provision is much worse than an outright prohibition on the use of funds, because it sets up two subcommittees of the House and Senate as superadministrators over every agency in the bill with respect to the purchase and sale of real estate and the establishment of new offices. If—

Section 109 I am talking about now, this particular section, and the pending amendment is a follow-up. It has got to be viewed with some considerable justifiable suspicion.

If section 109 can be enacted into law there is nothing to prevent the extension of this principle to every administrative action, and consequently, in effect, to shift the functions of the executive branch to not the Congress but the subcommittees of the Appropriations Committee.

It seems to me that we should view this with very careful consideration. The words of limitation encroach upon the prerogatives of the executive branch of the Government.

Mr. DURHAM and Mr. CASE of South Dakota rose.

Mr. McCORMACK. I yield first to the gentleman from North Carolina.

Mr. DURHAM. Does not the gentleman believe that this would hamper our atomic energy program at the present time? It would be almost impossible to carry out the functions of that important arm of governmental activity.

Mr. McCORMACK. I do not know, and that is why I have taken the floor. The gentlemans observation may be correct. All I can say is that this particular section more seriously disturbed the President of the United States than anything I have known of for a long while. I am talking about section 109. It is very far reaching. I assumed that when it was stricken out that it would stay out. I just do not know how far this goes. I would take the same position without regard to who might be President of the United States, but certainly I am going to take the position in the case where the President of the United States is a member of my own party, but I would do it likewise were a Republican the occupant of the White House. I do not know how far reaching this is likely to be. I do not want to put myself in the position of opposing it, but, on the other hand, I have got to take that position at this moment by indirection because I do not know how far reaching this is going to be in light of information I have received.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. The references which the gentleman has made might be interpreted to suggest there was something involved in the fact that the amendment was offered from this side

of the aisle. I am sure he did not intend that.

Mr. McCORMACK. If I said anything that led to that inference I want the RECORD to show that that did not enter my mind or is not in my mind.

Mr. CASE of South Dakota. It was merely the suggestion that regardless of who might be President would make no difference in the gentleman's attitude. Simply to clarify, I will say I did not initiate this language.

Mr. McCORMACK. I want to put in there emphatically "No" so far as the gentleman is concerned.

Mr. CASE of South Dakota. I would not want to cripple any important activity of the Government. I might point out that all this amendment does is merely to protect the money that is appropriated and says that agencies shall not establish new offices with money to be provided for them unless they have submitted a request for that purpose. If they have submitted a program and asked for money to establish a new office or to buy some real estate and it has been approved and appropriated for, they can go ahead. All the limitation says is they cannot go out and establish some new offices unless they have submitted the program and the program has been approved and they have the money to do it with.

Mr. McCORMACK. I realize the gentleman's amendment is different from section 109. I appreciate that fact. On the other hand, the gentleman from South Carolina has expressed some uncertainties as far as the Atomic Energy Commission is concerned. I do not know how far reaching this is liable to be. As I stated, I do not want to be put in the position of opposing it. May I suggest to the gentleman that he do not press the amendment. In the meantime the bill will go over to the Senate, the matter can be given further consideration over there and if it is put in the bill we will have an opportunity in the meanwhile to know what the results may be.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. CASE of South Dakota. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts may proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I may say that if the amendment is placed in the bill and the matter goes to conference, I will approach it with an open mind. If it will impede the program of the Atomic Commission or anything else that relates to the national security I would see that it went out in conference. I would like to have the opinion of the gentleman from Texas.

Mr. McCORMACK. I cannot conceive of my friend from South Dakota approaching any matter, in conference particularly, with other than an open mind. That statement is based upon my years of association with him and the deep respect I have for the gentleman.

Mr. THOMAS of Texas. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Texas.

Mr. THOMAS of Texas. I think the gentleman from South Dakota has expressed the committee's attitude very accurately. Section 109, as the gentleman from Massachusetts has pointed out, did have some teeth in it. The language submitted by the gentleman from South Dakota is wide open. It only applies to those programs which have heretofore been approved by the Congress.

Mr. McCORMACK. Let me ask the gentleman a question, and I have great confidence in him, I respect him very much and I follow him. The gentleman knows that. Is he willing as chairman of the subcommittee to take the responsibility of accepting this particular amendment?

Mr. THOMAS of Texas. Yes. I may say to the majority leader that I do not think the language will do the executive branch of the Government one bit of harm. If it did, I would say, "Take it out now." If anything develops in conference that it is going to hurt or hamstring the executive branch—and I do not care who the President may be or which party he belongs to—we do not want it. As far as the gentleman from North Carolina is concerned, our distinguished friend [Mr. DURHAM], who has referred to the Atomic Energy Commission, there are about $21,000,000 in here for the Atomic Energy Commission to buy some land this year. This cannot affect that in the slightest so far as next year's purchases are concerned.

Mr. DURHAM. I am not so much concerned about that. Here is the question that might come up: Suppose we were to discover an uranium mine this year and had to build a building at that point. How would this affect such operation?

Mr. THOMAS of Texas. If you are going to discover uranium in the United States or in Chile, and I do not know where you are going to discover it—I hope we can discover some—and if you want to build a building there is nothing in this language which would prevent you from building it. I hope we are not going to do like we did during the war, of a branch of the Government going out and building a building on somebody else's land before we got title to it.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BROOKS. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Louisiana.

Mr. BROOKS. It occurs to me from what the majority leader said that this amendment has not been fully considered. I think at this late date it is a little dangerous to put in here something that might not have been fully considered. In reference to the Veterans' Administration, how would that amendment affect the purchase of a hospital site or anything of that sort? Will it affect it at all?

Mr. McCORMACK. The reason for my presence on the floor is my interest in the matter, like that of the gentleman from Louisiana. My mind is completely vacant as to any knowledge of the result, if this amendment is adopted. I am groping for information, and I was hoping that either the gentleman from South Dakota or the gentleman from Texas could give us that information.

Mr. BROOKS. I would like to have the question answered.

Mr. THOMAS of Texas. I think either the gentleman from South Caroline or California or anybody else can answer that question. In other words, if there is a site that the Veterans' Administration would like to buy, if it has been approved by the Congress, then they are certainly authorized to proceed to purchase it.

Mr. CASE of South Dakota. Mr. Chairman, if the gentleman will yield, as a matter of fact, the Veterans' Administration has over $600,000,000 in contract authority for the construction of hospitals, which includes site acquisition.

Mr. McCORMACK. I have to make a Solomon decision. As majority leader it is my job and duty to support the chairman of the subcommittee handling a bill on the floor. I have to support my friend from Texas in the light of the present situation. In view of his assuming full responsibility, and my friend from South Dakota having assumed the responsibility, if they find out later that the amendment goes further than they intended, I am relying on them, as well as the other members of the subcommittee, to have the situation clarified.

Mr. CASE of South Dakota. The gentleman has my assurance on that.

Mr. THOMAS of Texas. The gentleman has the assurance of the entire committee.

Mr. McCORMACK. I thank the gentleman.

Mr. PHILLIPS of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think I could relieve the Members of a little concern expressed on the floor if I gave you the practical background for this. The gentleman from South Dakota has perhaps oversimplified it, and I think the gentleman from Massachusetts is overly concerned. An agency of the Government comes before a subcommittee on appropriations, and it lists, and it justifies, as we say, the places where it intends to spend its money. It would list the real property and the physical properties, upon which it wished to spend money. I think the gentleman from Massachusetts and everybody on this floor would like to go home in July with some assurance that those are the places where the money is to be spent. On the question of

the atomic material properties, the Atomic Energy Commission has an appreciable amount of money, for just that purpose. The National Resources Board has the power to buy strategic material. There would seem to be adequate money for anything that might come up in emergency. Congress will be here into July and back in January. Remember that if we do not put some provision of that kind in the bill, which I think should be written in all bills, you gentlemen who have hospitals in your area, you gentlemen who have agricultural experiment stations, you gentlemen who have air fields, you gentlemen who have reclamation projects, or any properties, have no restrictive assurance that the money appropriated for such purchases will be spent, and that some other project not yet justified before your agency, the subcommittee, will not have money spent for it. It may be technical, and it may be remote, but without this amendment the condition exists.

I do not think the gentleman from Massachusetts should have any concern. I did not think there would be any concern expressed by the executive agencies, to the amendment as it was offered by the gentleman from South Dakota. As one member of the conference committee, I assure the gentleman from Massachusetts that if I find this has in it anything which we have been unable to see after long study, I will vote to change it in conference.

Mr. Chairman, I think the amendment should be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. CASE].

The amendment was agreed to.

Mr. McGRATH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McGRATH: On page 52, line 12, strike out "$3,151,050" and insert in lieu thereof the following: "$4,212,435: *Provided*, That no part of this appropriation shall be used for pay of cadet midshipmen in Federal or State maritime training schools who are enrolled after May 1, 1949."

Mr. McGRATH. Mr. Chairman, I rise in support of the proposed amendment to add $1,061,385 to the proposed bill to cover the young Americans who are now students in our Federal and State maritime schools.

There is present now a deep regret that I find myself in disagreement with this committee and still deeper regret that I cannot follow the capable leadership of the gentleman from Missouri. On any question that was close, I would subject my limited knowledge to the judgment of the committee but in this instance the course that is right is so obvious that I must follow that course.

For some years our Government has paid $65 per month to the students in the maritime schools. The Federal schools are located in Kingspoint, N. Y.; Sheepshead Bay, N. Y.; Pass Christian, Miss.; St. Petersburg, Fla.; and the United States Maritime Service Institution. The four State schools are in California, Maine, Massachusetts, and New York.

The subcommittee has evaluated the recommendations of the Bureau of the Budget and has decided that the appropriations will now cease for all students, present and future, embarked upon training in these schools. The proposed amendment is very limited. Since the committee has held that in all future cases the $65 monthly payment should cease, I have carefully limited this proposed amendment to cover only the 772 students in the Federal maritime schools and the 589 in the State schools. I submit the cause to the members of this House upon the basis of justice. I recommend for your consideration from the viewpoint of a quasi contractural obligation. Last year and the year before that and 3 years ago, young men from every State in the Union, young American boys, were faced with that eternal problem that presents itself to the ambitious youths of our Nation. "Our high school days are over. How can we best fit ourselves to take a place in the society of American life?"

The opportunity of college life and the selection of an institution held their attention. They weighed all the benefits and the advantages. Perhaps in some minds the importance of attending a name school or being part of the crowd that could either play or cheer on their heroes of the gridiron were important considerations. To others it may have been the social life, the ability to attend dances and enjoy themselves at the same time they were attending classes that was important. Still others selected colleges near their homes so that they could enjoy the companionship of their immediate families.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. McGRATH. I yield to the gentleman from Mississippi.

Mr. COLMER. I do not want to interrupt the continuity of the gentleman's statement, but I should like to know just what the amendment does, in just a few words.

Mr. McGRATH. The amendment provides that the payment of $65 a month will continue only for those 1,361 students who are now enrolled in these schools.

Mr. COLMER. In what schools?

Mr. McGRATH. In the schools I have just enumerated, the Federal schools at Kings Point, N. Y., Sheepshead Bay, N. Y., Pass Christian, Miss., St. Petersburg, Fla., and the United States Maritime Service Institution, and the four State schools in California, Maine, Massachusetts, and New York.

Mr. COLMER. Would that restore the full amount that was cut out?

Mr. McGRATH. It would not. That appropriation would run close to five or six million dollars. But to the 1,361 young men who are in our Federal marine schools and in State maritime schools, it was something else that held their attention. It was a life on the sea. It was the attendance at a Federal or State maritime school and what did it mean? It meant subjecting themselves to the rigors of naval discipline. It meant forgetting some of the comforts of the fireside. It meant not attending social functions unless they first got a leave from their commandant. They recognized that the fancy clothing of their youthful companions would not be theirs. They would have no selection as to what they would wear, but they would wear with pride the uniform of their school. It meant no Saturday afternoons cheering on a team to victory but it meant Saturday afternoons polishing up and keeping the ship in repair.

Ladies and gentlemen of the House, these boys understood and took their obligation seriously and willingly. They knew what their duties would be and they did not fail them. They knew, too, that not your Government, and not mine, but their Government would pay them $65 a month during the 4 years of their training. We kept that promise for some of them 2 years, for some 3 years, and some 1 year. Now we tell them that the payments will be stopped.

If there is ever a case of a quasi contract, it has been in this fact situation.

Now let us see what they do with this $65 a month. $15 goes for their uniforms; $4 for textbooks; and about $10 for laundry, and $28.50 for haircuts, canteen, personal clothing, and miscellaneous expenses.

Mr. BOGGS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. McGRATH. I yield.

Mr. BOGGS of Louisiana. I apologize to the gentleman.

Mr. McGRATH. I assure the gentleman it is a pleasure to yield.

Mr. BOGGS of Louisiana. I have just come into the Chamber. I am very much interested in the gentleman's amendment. Will the gentleman be good enough to explain exactly what his amendment does.

Mr. McGRATH. It continues the payments of $65 a month.

Mr. BOGGS of Louisiana. How much money is involved?

Mr. McGRATH. The amount involved is one-million-sixty-one-thousand-and-some-odd dollars.

Mr. BOGGS of Louisiana. So that you restore, out of the more than $3,000,000 that the committee has cut from the appropriation approximately $1,000,000; is that correct?

Mr. McGRATH. Yes; $1,061,000.

Mr. BOGGS of Louisiana. Out of that million dollars that your amendment seeks to restore no funds are made available for administrative expenses of the training organizations of the Maritime Commission?

Mr. McGRATH. That is correct. This is only for the $65 per month for those students now in the schools, to continue until such time as they finish their courses.

Mr. BOGGS of Louisiana. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. McGRATH. Mr. Chairman, I would respectfully request additional time.

Mr. THOMAS of Texas. Mr. Chairman, I ask unanimous consent that the gentleman may have two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. McGRATH. I wish to thank the distinguished gentleman from Texas—

that is what makes it so difficult to offer the amendment.

Mr. THOMAS of Texas. Mr. Chairman, will the gentleman yield for a question?

Mr. McGRATH. Surely.

Mr. THOMAS of Texas. I note that the gentleman's amendment applies only to cadets. But in his statemcnt he mentioned Sheepshead Bay. It occurs to me that perhaps the gentleman did not intend to include Sheepshead Bay.

Mr. McGRATH. I believe that the committee, by that section, covers that. I think the section covers that.

Mr. THOMAS of Texas. And you intend to include some of the operating schools, then, other than the cadet schools; is that correct?

Mr. McGRATH. Just the schools that I have mentioned. And the number of students involved is 1,300.

Mr. THOMAS of Texas. Might I also inquire whether the gentleman intends to include the subsistence payments to State marine schools after May 1, 1949.

Mr. McGRATH. I believe the gentleman has covered that in his main bill. You stated the other day in committee that the subsistence provision was continued, together with the $50,000 for the various State schools, plus the $370,000 appropriation.

Mr. THOMAS of Texas. Does the gentleman intend that the subsistence payments shall continue after May 1?

Mr. McGRATH. Yes; because the gentleman has already provided that in the main bill. The gentleman knows that.

These young men come from every kind of a home—the rich and the poor boy, the lad whose father can well afford to pay for his education, the poor youngster who has no father to support him. And now you tell them in the middle of their course, "You have to buy all your own uniforms. You have to buy your own textbooks and even though you have lived up to your obligations, we repudiate ours."

Now I can anticipate the argument of my genial friend from Texas. He will bang this table and he will smile that charming smile and point out that we do not do this for medical students, we do not give a payment to students who are engaged in scientific studies and the like and he will ask why do it for this particular group.

There are two reasons. One is that we have made a promise to these particular students. We have no contract with other students. The second is that these men are trained to the sea. On a moment's notice, if the Congress calls them, they are already trained and we are saved a course of training. If Congress calls, they will respond, fully trained. The gentleman from Texas, if I might again anticipate his argument, will say that even after these boys finish their training there is no mandatory provision in law that makes them go into the Navy or that makes them go into the maritime service. And that is a true statement under the law. But where do these boys go? The record will show that last year every graduate—save one lad who was sick—got a job on the ships and the record will show also that in the last war practically every one of these graduates served in some one of the marine services of our country.

There is one other argument that could be advanced. At the present time it is claimed that there is some surplus of seagoing men. But certainly these 1,350 men spread over a period of 3 years, amounting to about 450 each year, for the next 3 years, spread throughout the entire United States, will certainly not upset the employment picture in that industry.

This case resolves itself to the good faith and integrity of our Government. We are dealing here with boys who love the American way and know the American tradition. We are dealing with boys from your State, and yours, and mine—boys whose patriotism is on fire. Do not squelch that patriotism by doing an act of repudiation on a promise made. Their Uncle Sam is to them the finest and the biggest man in the world. In their eyes their Government's word is the word of truth, integrity, and honesty. Do not change their concepts. Each morning as these boys go out to drill or get on their boat, and whether it is over the land or sea that the flag is hoisted, let it not be said that there is hoisted another banner, invisible yet crystal clear, that reads, "These marine schools are only for rich men's sons."

(Mr. McGRATH asked and was given permission to revise and extend his remarks.)

Mr. CANFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment. I am very sorry, as a member of the Committee on Appropriations, to see that our committee has determined to change the policy respecting these academies, and in the case of Kings Point, N. Y., to go along with the suggestion made before the subcommittee that this Federal institution, which has served our country so much in time of war, and in time of peace, should be placed in mothballs.

The idea of a Federal Merchant Marine Academy was initiated by the Third Merchant Marine Conference in 1930. Out of 6,479 persons interested in the maritime industry answering a questionnaire on the subject, 5,242 at that time favored such an academy. After 10 years' study and work it was established first in temporary quarters at New London, Conn., in 1940 and at its present site at Kings Point, Long Island, N. Y., in 1942, after Congress by law—Public Law 472, Seventy-seventh Congress—authorized the purchase of the land and buildings for a permanent Academy—see committee report. Therefore, the Academy was definitely not a wartime project.

The pay of $65 a month was authorized for cadet-midshipmen in June 1941 and was a permanent peacetime and not a wartime arrangement. It has been paid continuously ever since.

In October 1940 the cadets were enrolled in the United States Naval Reserve and have been so enrolled ever since. The may not withdraw from the Naval Reserve and thus escape liability for active duty in the Navy except at the pleasure of the Secretary of the Navy. Upon graduation they are commissioned as ensigns in the Naval Reserve and cannot withdraw except at the pleasure of the President, and are subject to call to active duty at any time. Over 2,000 of them were called to active duty in the Navy in World War II. Most of the remainder served on merchant vessels during the war. Those entering training since 1948 sign an agreement with the Secretary of National Defense to serve 2 years on active duty in the Navy if called. Therefore, they are not free agents. They are trained in naval science and tactics to serve as officers in the merchant marine as an auxiliary to the armed forces and therefore to serve the Nation and not just private industry. Section 302 (g) of the Merchant Marine Act, 1936, requires all officers serving on subsidized or Government-operated vesscls to be members of the Naval Reserve if qualified.

The cadet-midshipmen and graduates of the four State maritime academies have also had the same Naval Reserve status as those of the United States Merchant Marine Cadet Corps since 1938.

About 250 cadet-midshipmen and graduate officers lost their lives while serving on merchant or naval vessels during World War II.

The Naval Reserve Officers Training Corps gives the same general training in naval science to students at 52 universities and pays the tuition of its enrollees at those universities, pays them $50 a month, and furnishes free uniforms and textbooks.

The term "pay" to cadet-midshipmen while in training is a misnomer. It is an allowance for actual expenses including all uniforms, clothing, and textbooks which they must buy, taxes, various fees, laundry and cleaning, haircuts, supplies, canteen, travel expenscs, and so forth. It is barely and not always sufficient to cover these expenses. The cadets at the other Federal Academies of West Point, Annapolis, and the Coast Guard receive $78 a month for similar purposes.

The information that the number of trainees completing a course who actually enter the shipping industry is negligible is in error. Approximately 85 percent of classes graduating in the last 2 years has gone to sea either on merchant or naval vessels. During the war the number was nearly 100 percent.

The Government has an investment of $10,000,000 in the Academy at Kings Point with over 60 acres of land and buildings. Congress has always considered it permanent. Public Law 301, Seventy-eighth Congress, established a Congressional Board of Visitors. Public Law 214, Eightieth Congress, established an Academic Advisory Board. Public Law 705, Seventy-ninth Congres, authorized the granting of a bachelor of science degree. All of these laws are similar to those for the other Federal Academies of West Point, Annapolis and the Coast Guard. Public Law 485, Eightieth Congress, authorized the construction of a chapel and library.

Congress also authorized the appointment and pay while in training of Filipino and Latin American cadets now at the Academy with a national commitment that will prove embarrassing internationally if eliminated.

The Academy cannot continue to exist if the expense allowance is eliminated. At best, the only students who could attend would be those with means, thereby shutting off many worthy citizens without means who wish to serve their country. Presently the cadets are drawn by competition and State quotas from all 48 States and Territories. Only those living nearby would be likely to attend, thereby destroying the Nation-wide character of the Academy and service in the merchant marine.

While there is some present unemployment of merchant marine officers, the 2,000 ships in our Reserve Fleet held for national defense will require 20,000 officers to man them. It takes time to make an officer. If we destroy our Academy this job cannot be adequately done.

Mr. HUGH D. SCOTT, JR. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I am glad to yield to the gentleman from Pennsylvania, who in the summer of 1944 served in the United States merchant marine.

Mr. HUGH D. SCOTT, JR. The gentleman is making a fine statement and is speaking out of an interest which is grounded in his own service as an ordinary seaman in the merchant marine during World War II. I would like to ask the gentleman if it is not a fact that, if we need to man these ships of ours hurriedly in time of emergency or war, would we not need about 125,000 men in 2 or 3 months' time, and if we do not take care of the Merchant Marine Academy where are we going to get the men?

Mr. CANFIELD. The gentleman is correct. I hope he is in his seat when the gentleman from New York [Mr. HALL] reads the endorsement of this Academy and its program by our late President, Franklin D. Roosevelt.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. CANFIELD] has expired.

Mr. BOGGS of Louisiana. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Substitute offered by Mr. BOGGS of Louisiana for the McGrath amendment: On page 52, line 12, strike out $3,151,050" and substitute "$6,586,000."

Mr. BOGGS of Louisiana. Mr. Chairman, the amendment offered by the gentleman from New York to this section of the bill, as I understand it, would simply restore the pay for cadet midshipmen and for trainees in the United States maritime training schools. I further understand that it would not provide any pay for cadets entering these schools whether they be State schools or Federal schools beyond the current classes in the schools.

The amendment which I have just offered as a substitute restores to this item of the bill the full amount as originally recommended by the Bureau of the Budget. As I understand what the Committee has done, the Committee has recommended approximately $3,000,000 and further recommended that all of the present training facilities of the United States Maritime Commission be carried on. I understand that this drastic cut, as set forth in the report, reduces by about a million dollars the pay for trainees and cadets and reduces by another $2,000,000, approximately, administrative costs and expenses, but it does not cut any of the training facilities—those located in New York, in Florida, in Mississippi, in California, and in State maritime institutions. In other words, the Congress is telling the Maritime Commission to operate these schools but is not providing the funds.

I offer my substitute for several reasons which I consider entirely valid, and I trust that the Committee will support my substitute. To begin with, when this Congress passed the Merchant Marine Act of 1936 it expressed the mandate of the people to the effect that we would establish an American merchant marine to be manned by trained and efficient American personnel. Under the great Magna Carta of the Merchant Marine Act we have established in this Nation the greatest merchant marine we have ever had. In addition to that we have again instilled within the hearts and the minds of our young men the adventure of the sea. It is all very well to talk about building ships, and it is important to build ships and to establish shipbuilding facilities, but without the men trained to man those ships they are vain and useless things.

The argument will be advanced here today that there is an unemployment problem in the maritime industry, that there are many licensed men now "on the beach," and that because of these men who are temporarily "on the beach" that we can abolish this training program. Mr. Chairman, in my humble judgment, were we to do that we would be making a very fatal mistake.

Now, on yesterday we voted the colossal sum of $16,000,000,000 for the Army, the Navy, and the Air Force. We voted that sum with only one dissenting vote. To me it seems the height of folly to provide $16,000,000,000 for the Army, the Navy and the Air Force and then quibble here about $3,000,000 for the training of men to man our merchant marine.

I know something about this program. The charge has been made that there has been waste, extravagance and so forth, but this program has operated in my section or close to my section. I know the effect it has had on raising the morale of the men who go to sea. Certainly it cannot be said that we are following the course of wisdom in crippling these facilities which are needed for the training of personnel in the American merchant marine.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. BOGGS of Louisiana. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOGGS of Louisiana. Mr. Chairman, out of the sum which is requested here, the amount of $6,500,000, approximately, if the substitute is agreed to, the United States Maritime Commission will provide funds for four or five State maritime academies which have been established and which have been operating for many years. One is located in New York, another in Maine, another in California, and I believe there is one in Pennsylvania and in Massachusetts. Young men are trained for the rank of officers in the merchant marine at Kings Point, N. Y., and at Pass Christian, Miss.

The Government has spent four, five, or six million dollars at Kings Point. It is a magnificant institution, and in many ways compares favorably with West Point and with Annapolis. The Congress has recognized the value of that institution. We have made it possible for the institution to confer the degree of bachelor of science. It has brought to the institution faculty men who are trained as professors and who have the necessary college education and the necessary degrees to be able to train these young men so that they not only acquire a knowledge of the sea but acquire an education as well.

The institution located at Pass Christian is a subsidiary institution to the one at Kings Point. Last year the Bureau of the Budget came in and said, "Let us abolish the institution at Pass Christian." The Congress overruled the Bureau of the Budget, and despite the fact that a hurricane had struck the institution some months before and had caused damage in excess of $100,000, we wrote into the legislation then the necessary appropriation to rehabilitate this institution and to train students there beginning last September.

Now, what we are doing after we invest four, five, or six millions at Kings Point and after we voted another $100,000 at Pass Christian just a few months ago? We come along and say that in order to save $3,000,000 we are going to so divest those institutions of administrative personnel, we are going to deprive the cadets of pay to such an extent that we may as well completely abolish the program.

Let me show you how inconsistent we are. We passed an appropriation bill for the State Department in which we said that we were bringing into this country a certain number of Philippine students for training in the merchant marine, and we would pay them the same amount that we are paying the American cadets and those of Latin America. But now we are going to wipe out the money for the Americans.

Mr. Chairman, I hope my substitute is adopted by the committee.

The CHAIRMAN. The time of the gentleman from Louisiana has again expired.

Mr. LEONARD W. HALL. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I am going to support the substitute amendment because the amendment offered by the gentleman from New York does not go far enough. If the amendment offered by the gentle-

man from New York is adopted, it means that the Committee on Appropriations has made a policy for this Congress which will, in effect, close Kings Point Academy on Long Island.

The proposed cut in the maritime training fund—and I might as well mince no words about it—would strike a fatal blow at the Kings Point Academy. It would wipe out what is now a truly great national service institution—what is now one of the big four in our service academies.

I want to make an urgent appeal to the membership for the restoration of the training pay for cadet-midshipmen at Kings Point. Looking at the question from the viewpoint of our national security, from the viewpoint of the morals that are involved, and from the viewpoint of our rather blighted history so far as our American merchant marine is concerned, I think that the restoration of the training pay in this bill is absolutely vital. The Appropriations Committee has cut the budget for the maritime training fund in half.

The training pay for the cadet-midshipmen at Kings Point, as well as the four State Merchant Marine Academies, amounts to $65 per man, monthly. The phrase, training pay, is absolutely a misnomer. It is not really pay at all. It is an allowance. The committee should know that this $65 per month is the difference between making it possible for a young man to go through Kings Point or to be denied the privilege. The average young man simply is not able to meet the costs that this monthly allowance now makes possible for him. With this sum of money he purchases his own uniforms, he purchases his own textbooks, and he buys such services as laundry and cleaning, toilet articles, underclothes, haircuts, canteen, travel, and other expenses. There is absolutely no disagreement on this one point—that if this $65 monthly allowance to the cadet-midshipmen is eliminated that it will spell out practically the end of this great and beneficial training program and the end of Kings Point Academy.

Elimination of this training allowance would produce a wave of resignations. It may be young men from families more than moderately well off would stay at the Academy. But so far as the average boy is concerned, the kind of young fellow that we would like to see develop into officers in our American Merchant Marine, who would be officers in our Navy—he could be expected to have to quit the Academy for the simple reason that he could not, himself, absorb an expense of $65 a month.

As the gentleman from Louisiana has said, our Government now has many millions of dollars invested in Kings Point Academy. Upwards of $10,000,000 has been invested there and the membership should know that that money was not invested initially or solely as a wartime measure, as is implied by the report of the committee. President Roosevelt was at the helm of Government when the Kings Point Academy was dedicated. Let me bring to the attention of the committee what he had to say as to the Academy, and the great plan that it should carry forward and how it should endure as a permanent national service institution. These are his words:

> Dedication of the United States Merchant Marine Academy at Kings Point, Long Island, N. Y., is a momentous forward stride in the Nation's planned program of maritime progress. Not since enactment by the Congress of the Merchant Marine Act of 1936 has there been an event of greater import to America's world commerce—either in maintenance of our wartime lifelines or our future peacetime economy.

These are his words, too:

> This Academy serves the Merchant Marine as West Point serves the Army and Annapolis serves the Navy.

He goes on further to say this:

> This Academy, a fitting monument to those past generations who have handed down so noble a heritage, will spur on present and future generations of our men of the sea to even greater achievement. It will equip them to be skilled navigators and engineers, worthy of the great vessels they will sail and of respect in every port throughout the world—men of whom all Americans will be proud.

The Kings Point Academy grew out of a national demand that this country create an institution for instruction and training to develop officers for our American merchant marine. Unhappily, there are some who seem to have forgotten the maritime position of our country in the middle thirty's. The country recognized the dangers inherent in the situation and there was a surging demand for the revitalization of our shipping position. It was at this time in our history when we shook off our lethargy and determined, grimly, to take positive and vigorous action for the rehabilitation of our American merchant marine. It was indeed fortunate that we did this because it was only a few years later that we were catapulted into World War II.

And we know that there were many times during the thirty's that we were not too proud of those who manned our ships in foreign ports. We know well that some of those men did not believe too much in the institutions of America. And I think I can say here that it was understood generally that the union in charge of the men on some of the ships—and this was a tragic thing—had a greater infiltration of Communists than practically any other union in the United States. Some of the leadership who brought our merchant marine to disgrace in those years and some of whom appeared before the committee are in opposition to the continuance of the policy established at King's Point.

I have in my hand a copy of The Pilot put out by the CIO National Maritime Union. In it is some very revealing news. In this organ the CIO Maritime Union boastingly claims credit for the proposal which I assert would wreck the training program and which would, in the language of one of the union officials, put the Kings Point Academy in moth balls.

In this newspaper the CIO Maritime Union describes a visit to the White House made by some of its officers including Joe Curran, Levine, and others. Their visit there was in opposition to the continuance of the training program. Members of this group also appeared before the Subcommittee on Appropriations. It is obvious from their statement before that committee, and also in their own newspaper, the Pilot, that what they want to see more than anything else, perhaps, is the growth of cobwebs across the doors of Kings Point Academy. They want to see this great service institution closed. It comes as rather an amazing thing to have these officials from Joe Curran's union argue as one of their serious points that Kings Point is wasting the taxpayers' money. I do not recall these particular officials ever before showing solicitude for the taxpayers. This same newspaper, the Pilot, and as I have said it is the CIO Maritime Union organ, has also another very revealing page in it. It shows a picture of the cadets of the Kings Point Academy on parade on inauguration day here in Washington, to do honor to President Truman. It shows their marching from Pennsylvania Avenue to Fifteenth Street, only two blocks away from the White House. Here is how Joe Curran's newspaper titles this picture and also comments underneath it:

> BRASS WON'T MAKE SEAMEN
>
> Kings Point boys led by their top brass and accompanied by their brass band go strutting. There may be fewer strutters if Congress takes President Truman's recommendation to slash the maritime training services budget estimate 50 percent put the emphasis on upgrading.

Let each of us form our own impressions or conclusions on what I think is certainly a low level in the characterization of American young men who strive, through Kings Point, to become ships' officers.

It is becoming pretty obvious that the CIO Maritime Union is the real source of opposition to the Kings Point Academy and to the continuance of the overall maritime-training program. It was at their visit to the White House, I am convinced, that the action was taken to reduce the training fund. But no matter how any of us may feel, it is the definite fact that Joe Curran's union makes the claim that it was through his efforts that the cut was engineered.

In this bill before us today, there is provision for an amount in excess of $6,500,000 to keep 2,000 ships in stand-by condition. These vessels belong to our reserve fleet. They are being maintained for an emergency. The Appropriations Committee recognized the wisdom of this policy and has recommended the expenditure of this sum of money for this coming year to keep this reserve fleet in condition and available. Yet we have the very parodoxical situation that while we are maintaining a reserve fleet, we are eliminating a fund for the training of these very men whom we must count on to man this reserve fleet. It would take 125,000 men to man these 2,000 ships. Twenty thousand of these men would have to be officers. Yet, in this bill, we are cutting the heart out of the whole training system for officers. Seemingly, the administration, or somebody, has made up its mind that while we should be making provision for offi-

cers, either by direct appointment or through schools, for our Army, Air Force, and Navy, that we will not need officers in the event of an emergency to man our reserve fleet. We are cutting out this whole training program for a vital complementary service—a merchant marine as an auxiliary arm of the Navy—while we have a national draft law in effect. We are building up our enlisted manpower through enlistments and the draft; we are building up our air power, we are strengthening our Army and Navy; we are emphasizing every effort we can for the training of efficient personnel for our military; yet, at the same time, this administration, seemingly, takes the position that we do not have to pay any attention to training for our merchant marine, that we do not need any more officers, but somehow or other, from some mystic place, officers will appear to man our reserve fleet in the event of an emergency; that we can scuttle a merchant marine training program that has proved its vital qualities and benefits and, at the same time demolish a concept and policy to which the Nation has given its full approval—that we do not return to the days prior to the Merchant Marine Act of 1936. The administration takes the position, as a practical proposition, if this training fund is cut, as proposed, to scuttle one of our great national service institutions—the Kings Point Academy.

Let me again renew my appeal that we do not make what I think would be a costly and tragic mistake in not providing an increase in the training funds.

I trust that the substitute will prevail.

(Mr. LEONARD W. HALL asked and was given permission to revise and extend his remarks.)

Mr. COLMER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I realize we are all under some stress here now, the stress of haste, trying to get through. I regret in a way that we have to face this very important issue here under these conditions, because this is a very important matter.

There have been quite a few angles of this matter pointed out to you. My time will not permit going into it fully. Let me say first in all candor and frankness that I am personally involved in this in that one of these schools is located in my district at Pass Christian, Mississippi, but I would be for this substitute amendment if there was not a school located within 100,000 miles of my district.

Why do I say that? I say it because this thing goes to the very future of the national defense of this country. I want you to hear me on that. Form your own conclusions after you have heard me, but just hear me. That is all I am asking.

As was pointed out by the distinguished gentleman from New York a moment ago, certain subversive influences attempted to wreck this program. Let us call a spade a spade. When we vote 271 to 1 for a bill appropriating $16,000,000,000 for the defense of this country, as we did on yesterday we ought to be bold enough to call things by their proper name.

During the war I twice brought a bill to the floor of this House from the Rules Committee to deport one Harry Bridges, the head of the maritime union on the west coast. Twice this House passed that bill. Twice it was defeated or was not brought up on the other side. That is the influence that is opposing this program of training these cadets for our merchant marine today, and the testimony before this committee bears out that statement.

When they did not get the results they were apprehensive they would not get, the results that they wanted, they went down to the White House. Whom they saw down there I do not know. I hope they did not see the President. But there came a message from the White House up here to curtail this program. Was this a coincidence? It happened just 2 or 3 days after the newspapers carried that story that these maritime union officials had been to the White House.

Remember this: You are training men to carry on that program in time of war. Will this startle you or do you already know it? During the war and immediately after the war—and I have authority to back up my statement; I have never advertised it before—better than 70 percent of those men who operated the communications systems upon our Army transports and sent out the messages about the movements of the fleet, were members of that maritime union and were also carrying in their pockets the card of the Communist Party.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. COLMER. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLMER. Mr. Chairman, that is a serious situation. Please do not misunderstand me. I am not charging that all members of that union are Communists. The average member of a labor union is just as patriotic as you and I. But you know, as a matter of common sense, that the Communists have tried to infiltrate into the key positions in this country. What could be more strategic than to have them in the operation of our fleet? I am not charging that the maritime union is a communistic organization. I am not charging that they are trying to defeat this program, because they want to see the country taken over by the Communists. Do not read that into my statement. But I have recited the facts to you and I am saying to you that they get the same results when they cut down this training program and prevent these boys, these patriotic high-school lads from being trained to officer and to man these ships.

Few of us realize it here today, but I say to you with all the sincerity of my being, that in my humble judgment, this question is most fundamental and goes to the very basis of the defense of our country. It will be pointed out by the very distinguished chairman of this subcommittee, my warm personal friend the gentleman from Texas, Congressman THOMAS, that these men do not have to go into the Reserves. I think they ought to go into the Reserves. If the Committee will agree to the amendment, which would be subject to a point of order, I would like to see written into it that they have to go into the Reserves. But I ask you, I plead with you, to give this matter your serious consideration and not to follow the leadership under the circumstances.

Mr. Chairman, I am, of course, in full accord with my warm personal friend, the gentleman from Louisiana, Congressman BOGGS, who served during the war so ably in the merchant marine, who has offered this amendment on behalf of some dozen of us who are interested. I hope the House will adopt this amendment. Mr. Chairman, in this connection, I want to submit the following timely editorial which appeared only yesterday in the Times-Picayune, an outstanding southern newspaper at New Orleans, La.:

MARINE CADET SCHOOL

Despite the confidence asserted in 1945 by the War Shipping Administration that the United States Merchant Marine Cadet School at Pass Christian would be retained on a permanent basis, the institution has had to weather repeated storms—meteorological and man-made—in order to fulfill its promise. Again its fate is threatened, and it may require the concerted appeal of Gulf coast interests to save for it the $568,000 preliminary appropriation for the coming fiscal year which failed to appear in the Federal budget.

The cadet school was authorized under the Merchant Marine Act of 1936, as part of a permanent training plan designed to fit in with the vital development and maintenance of the United States merchant marine, and particularly with wartime needs. After the Marine Cadet Corps was established in 1938, this became one of the first two schools offering basic officer training, in conjunction with Kings Point Academy work.

Its location in provisional quarters at Henderson Point dates from September 1942; and its magnificent contribution to war needs is a matter of record. Its permanent quarters, valued in grounds, buildings, and equipment at $2,000,000, were completed early in 1946; but even then its elimination was being proposed as the training budget decreased. Methods were happily found to preserve it on a sharply reduced basis. Next year the same crisis arose, but the House Appropriations Committee and House conferees saved the day.

Then in the fall of 1947 the school was badly damaged by hurricane; and on the question of reopening, there was another congressional battle in 1948, in which the House won finally the concurrence of the Senate in repairing the damage and carrying on the school's work. Riding out another physical hurricane that same year, the institution now heads into a puzzling maelstrom in which the Maritime Commission itself proposed its abolition, along with another school at St. Petersburg.

Just as the merchant marine and the proper training and provision of officers mean much to the United States in war and peacetimes, the school means much to Gulf coast shipping, due to its advantageous location and to the links these interests have been able to form with officer material. In return, the Gulf coast offers year-around small-boat training, and there is a record of remarkable per capita economy in relation both to other

schools of the type, and to the great military academies. We hope Congress will not reverse itself, but will give this institution the chance for permanence which was intended for it and which its record and advantages support. The House Appropriations Committee has responded so far with a $550,000 allotment in the independent offices bill.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. PETERSON. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, the statements made with reference to the training program show clearly the need for that program. It happened to be my privilege to be on the Committee on Merchant Marine and Fisheries when the training program was authorized. There was a direct mandate from the Congress in the Merchant Marine Act for this training program. It is set forth in the Merchant Marine Act of 1938 and amendments. There was a peacetime program initiated by the Congress after a long series of hearings, by the committee headed by the distinguished gentleman from Virginia [Mr. BLAND]. It became part of the Merchant Marine program to build ships and to man those ships with American seamen. There was a period of time in this country when the commerce of America, or at least a great portion of it, was being carried in foreign-flag ships. Then, even after we started to build ships in this country, a great number of the seamen on those American ships were foreign seamen. Then it became necessary in the Merchant Marine Act to set up year by year higher and higher percentages required to be American seamen, even on American ships. It became important to train American seamen. We are training the unlicensed personnel at St. Petersburg, and the licensed personnel at Kings Point, and are training the other schools that have been set forth—the particular details of which I will not burden you with, because they have already been stated. But the point I want to definitely impress upon you is that the failure to provide these funds for the payment of these trainees and cadets will be to go back on the mandate of the Congress itself, so there would be no shortage of American seamen in this country. There are those who do not want to see us build an American merchant marine and who fought so much when the original Merchant Marine Act was passed, that it was passed only by about a 15-vote majority in the House of Representatives.

Mr. LYNCH. Mr. Chairman, will the gentleman yield?

Mr. PETERSON. I yield.

Mr. LYNCH. The point of this substitute amendment is this, is it not, that we will have American-trained officers for the American merchant marine.

Mr. PETERSON. Yes; American-trained officers and unlicensed personnel. That is the point of it. There are men on the beach today, but the men on the beach are not graduates of these schools because they are glad to have these men. They are well trained. They are fine, clean young men. They are doing a great job, and when they go into the ports of the world they are building good will for us.

On the anniversary of Maritime Day I heard Admiral Land say it was just as important to have trained seamen as it was to have good ships, in order to make the American merchant marine something of which we could be proud. They carry the commerce to all parts of the world. We wanted American-made ships and we wanted them manned with American seamen. I went through this when we fought for the original training program. At one time some even wanted to build American ships in foreign shipyards. We had to go into that situation. There are people who do not want an adequate number of American seamen. They want to create a shortage. It would require 125,000 seamen to man the ships that are in the moth-ball fleet today.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. PETERSON. I yield.

Mr. DONDERO. Is there any claim being made that these cadets, when graduated, are dominated by the Maritime Union, which is a Communist-dominated union, or claimed to be Communist-dominated?

Mr. PETERSON. Quite the opposite.

Mr. DONDERO. They are not dominated?

Mr. PETERSON. They are not. They are men of whom we can be proud. Those are the men who were manning the guns and went down with their guns blazing in the maritime service. They lost their lives along with the Navy men, and I am a Navy man myself, but they did a splendid job and I pay tribute to them.

The CHAIRMAN. The time of the gentleman from Florida [Mr. PETERSON], has expired.

Mr. SIKES. Mr. Chairman, I move to strike out the required number of words, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. SIKES. Mr. Chairman, I dislike very much to differ with my distinguished friend the gentleman from Texas [Mr. THOMAS] and with the committee. They have done a grand job on a very difficult bill, but I feel that a serious mistake will be made if we do not restore the pay for trainees and midshipmen in the maritime training schools.

Those schools are intended to train men to man the Nation's merchant fleet, to keep the American flag flying on the high seas, and to provide essential reserves in time of war. Already the purpose of the schools and what they do has been stated. The schools for cadets and midshipmen at Kings Point and Pass Christian offer 4-year courses. In addition, there are four State schools—in California, Maine, Massachusets, and New York respectively—performing the same important function. There are also the specialists and up-grading schools in Alameda and at Sheepshead Bay. Most of their courses are for 30 days, and they train seamen and officers for higher positions or for specialist ratings. Then, finally, there is the trainees school at St. Petersburg, which takes new men, unlicensed men, for 6 months and gives them training for deck jobs, engine jobs, and steward jobs on board ship.

Now, why pay these men? The answer is simple enough. If we do not pay them we will not get the cadets and trainees, and if we do not get them we will not keep the schools in operation, and the time may come when there will not be American merchant ships on the high seas.

Mr. BLAND. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I am glad to yield to the distinguished gentleman from Virginia.

Mr. BLAND. I want to endorse every word the gentleman is saying and what has been said by the gentleman from Florida [Mr. PETERSON] and the others who advocate this larger appropriation. The matter was gone into fully by the Committee on Merchant Marine and Fisheries, of which I was chairman at the time. I would say that it followed also the great disasters of the *Mohawk* and another vessel in which there was a great loss of life. We wanted men who had been trained in order that it might help protect the security of the people traveling on ships, as well as to help in preparation for war. It was a matter that was fully investigated.

Mr. SIKES. I hope every Member heard what the gentleman from Virginia said. There is no better informed, more able, or more beloved Member of this House; and when he speaks about merchant shipping and the merchant marine he speaks with authority.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield.

Mr. CANFIELD. Is it not true that our colleague the gentleman from Virginia [Mr. BLAND] is the father of the American merchant marine?

Mr. SIKES. That is very true.

Mr. CANFIELD. It is also true that it is going to be a great misfortune to this House to have him retire during the current Congress.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield.

Mr. BECKWORTH. Quite a bit has been said about the defense value of this particular work. I believe it is very significant that Winston Churchill in the second volume of his memoirs which were reviewed recently in Life magazine, made the statement that the one factor that was even more serious than the bombings of England was that at one time there was a question as to whether or not the merchant marine could continue to bring food to England. He stressed that one point as being perhaps the one most significant to that country's holding out and being able to sustain itself. In view of that I fail to see how this Congress can afford to take at this time what might be a backward step as far as the defense of this country is concerned.

Mr. SIKES. All that the gentleman has said is completely correct and highly apropos.

Now, Mr. Chairman, may I leave this point with the committee: The mer-

chant marine constantly needs new men. The average time that a man spends at sea is 10 years; he then retires or goes into another line of endeavor. The hundreds of thousands of men who were trained during the war have drifted back to other pursuits, just as those who served in the Army, the Navy, and the Marines have drifted back into other pursuits. They were engaged in the war activity then, but now they have gone into other work. In the merchant marine we need a constant supply of new men; we must have new men.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. SIKES. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. It has been stated that there are unemployed seamen on the beaches. But it has also been stated that these unemployed are not graduates of these academies; that is an important point to remember. Well-trained men are always needed in our maritime service, and there are jobs for them.

Mr. BOGGS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield.

Mr. BOGGS of Louisiana. For the information of the Committee I wish to mention to the gentleman that one of the reasons for unemployment among seamen in the merchant marine is the fact that the United States Coast Guard is the certifying agency for people generally who go to sea in ranks less than officer rank. The Coast Guard for the last several years has been issuing seamen's papers right and left, and that has had more effect upon employment than any single factor.

Mr. SIKES. That is true; seamen's papers were issued freely to applicants, sometimes apparently without regard to qualification.

Mr. BOGGS of Louisiana. The gentleman is correct.

Mr. SIKES. It is also true that in the first 3 months of the year shipping is at its lowest point and fewer men are employed because of the difficulty of winter conditions.

The point is going to be made that this is a war measure, a defense measure; that for all practical purposes the war is now over, and that therefore the program has fulfilled its purpose. The program was inaugurated in 1938; that is when the merchant seamen's training program was authorized. Actual training was started in September of 1938 at Hoffman Island, N. Y. My authority is the Maritime Commission and I know the committee will be interested in the fact that all of the schools except Sheepshead Bay were in operation before World War II. The Kings Point training was started at new London on January 1, 1940, and later transferred to Kings Point. The St. Petersburg trainee school opened in August 1940.

Thus it will be seen that the maritime training schools were in operation before 1941, and we did not get into war until December 7, 1941.

Mr. Chairman, it is my hope that this matter can be amicably settled. There is a somewhat complicated situation before us, and I sincerely hope that an understanding can be reached with the committee for the adoption of language permitting pay for cadets and trainees. It is the function of Congress to decide these matters on their merit.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from California.

Mr. PHILLIPS of California. Is not the point the gentleman is now making correct, that it is a complicated matter? I say that as a member of the subcommittee who would support the amendment, but has the gentleman included the correct figure? As he states, it is a complicated matter.

Mr. SIKES. What we propose here is a worthy investment in the future of America.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, this is a good illustration of how we can have some honest differences of opinion in the House of Representatives. The RECORD would not be complete if it were to be accepted that the action of the subcommittee had been predicated upon the assumed arguments in behalf of that action which have been advanced by those who are opposed to the action which the committee took. Certainly one thing should be made clear. That is, the action of the subcommittee was not dictated by the CIO or the maritime union or any Communist organization or any organizations suspected of Communist affiliation. The action of the committee was not unanimous; there was some difference of opinion on the subcommittee, an honest difference of opinion just as there is here today.

A majority of the committee thought, however, that here was a situation where you have 42,000 people seeking 27,000 jobs, 42,000 registered men seeking 27,000 available jobs about the ships. And there are 12,891 licensed deck officers seeking the only 5,000 jobs that were available. So that there was not and is not any shortage and it seemed unnecessary to pay students to take training to create more trained personnel to compete for those jobs.

Mr. Chairman, there is also another factor to be stated. We did not do this before the war—that is, we did not pay students. We did it during the war. We have created quite a reserve of these people. Those who get this pay to attend college are not under obligation to enter the Maritime Service, so the situation is not analogous to West Point or Annapolis.

In the bill the committee does provide for a continuation of subsistence and lodging. We do not close the schools out. We do not say these boys cannot come and still get free lodging and free board. But we just wondered how long we ought to continue to pay $65 a month in addition to encourage boys to take maritime training. There is a very serious shortage of doctors and nurses in the country. If we are going to take care of shortages and make educational training available and attractive to young men and women, perhaps we ought to start to pay $65 a month and board and lodging to those who will take up a medical course or some other vocation of life where there is a shortage.

It did seem to a majority of the committee that with the reserve that had been created of trained men in both fields the time had come to say: "We cannot forever pay $65 a month in addition to providing board and lodging to those who want to attend these schools."

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from California.

Mr. PHILLIPS of California. The gentleman used certain figures regarding the number of men who were presently unemployed. Would the gentleman be willing to state the source of those figures?

Mr. CASE of South Dakota. The source in one case was the secretary of the Masters, Mates, and Pilots Association, and the other figure in reference to those registered for employment, came from the National Maritime Union.

Mr. LEONARD W. HALL. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from New York.

Mr. LEONARD W. HALL. At Kings Point Academy they train around six or seven hundred men a year to be officers. Does the gentleman feel that training six or seven hundred men to be officers of American-flag ships is a waste of money?

Mr. CASE of South Dakota. No, I do not, unless you do not need them, and unless you have an ample supply. And this should be added about Kings Point. The budget included money to continue Kings Point. There was no proposal in the budget's recommendation and none here to put Kings Point in mothballs as some have feared.

The question that is involved between the two amendments, or the principal question involved, is this: The original amendment offered by the gentleman from New York [Mr. MCGRATH], would make the money available only to pay the $65 a month to those who are presently enrolled in the schools and would not apply to those who enrolled after May 1.

Mr. MCGRATH. That is correct.

Mr. CASE of South Dakota. And the amendment offered by the gentleman from Louisiana [Mr. BOGGS] would make the $65 a month available to all who may be enrolled or continue to enroll during the year for which these funds are appropriated.

I would like to say in conclusion, I recognize that a great many Members have very definite feelings one way or the other on this, but at least the good

faith of the committee ought to be made clear. Our action was not dictated by any Communist organization. It was simply a rational looking at the picture, an objective looking at the picture. Some of us thought with an ample supply of these trained people on hand now, we ought not to continue to pay $65 a month in addition to the subsistence allowances and other attractions for study at these maritime training schools.

Mr. THOMAS of Texas. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 30 minutes, with 8 minutes to be reserved for the members of the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman and members of the Committee, the memories of people are very short in reference to this problem of training or maintaining an adequate supply of merchant-marine officers. All during the war the radios blared out asking that those people who held officers' commissions or tickets in the merchant marine report by telegraph to Washington. They would be placed on the pay roll from the date of their telegram and continue until they were assigned to duty on a ship. We needed merchant-marine officers that badly in order to maintain our fleet, that was so much a part of our wartime effort.

An adequate merchant fleet is an arm of the Navy, and this defense institution of our country is made up of a number of integrated parts, the ships themselves, the facilities for building and maintaining them, and also, and it is not the least of these parts, the trained personnel that can man the ships.

An argument has been made that men are on the beach, that there are no jobs. We maintain a reserve for the Army, a reserve for the Navy, and a reserve for the Air Corps. There are not fitting jobs for those people today, but we recognize that in the future when we need them we are going to need them badly.

Mr. BOGGS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Louisiana.

Mr. BOGGS of Louisiana. The gentleman from South Dakota quoted as his authority for the amount of unemployment in the field the Masters, Mates, and Pilots Association. For the information of the gentleman from California, in that same communication it was advocated that the academy at Kings Point be abolished, so that what they are really trying to do is use this as a smoke screen.

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. KEOGH].

(Mr. KEOGH asked and was given permission to revise and extend his remarks.)

Mr. KEOGH. Mr. Chairman, I think with respect to the Maritime Training Division it might well be said that it should be judged by the enemes it has made. As far as those of us who have had anything to do with respect to the training division, and particularly with respect to the Merchant Marine Academy, are concerned, we can urge upon those who have not had an opportunity to observe the facilities that were created not as a war agency but rather under the provisions of the Shipping Act of 1936, that this amendment be adopted. It is a great tribute to the foresight of such distinguished Members of Congress as were its sponsors that that act was enacted when it was. The service that was performed during and since the war, and the service that will be performed in the future by these fine, respectable, patriotic, and intelligent young Americans will redound forever to the credit of this body and the country.

I take the liberty, Mr. Chairman, of bringing to the attention of the committee an excerpt from a statement prepared by the Alumni Association of the United States Merchant Marine Cadet Corps which, I feel, properly states the mission and the value of the Merchant Marine Academy:

The United States Merchant Marine Academy guarantees a continuous influx of Naval Reserve officers to this vital military auxiliary of the armed forces. Section 302 (g) of the Merchant Marine Act of 1936 requires officers of subsidized vessels to be members of the Naval Reserve. Kings Pointers are recognized as one of the best ready supplies of Naval Reserve officers. Aboard American merchant vessels is probably the strongest contingent of well-organized Communists existing in the entire country. In the event of a war, such a dangerous condition could prove detrimental to the security of the citizens of this country. Applicants to Kings Point are screened by naval intelligence and the FBI. Graduates can be counted on in time of emergency as stalwart, trustworthy citizens, capable of carrying out the mission for which they were so thoroughly trained. But in addition to these assets, the United States Merchant Marine Academy serves its country in peace as well as in war. The merchant ships have in the past attracted a great number of shifters, misfits, and incompetent help. Kings Point's mission is to attract a high type young American from all 48 States (on a quota basis) to American ships. They have already made an enviable record in good ship management and skilled leadership, thereby reducing the cost of operation of American subsidized and unsubsidized ships which are so hard pressed to out sail foreign competitors. The small influx of these young men is a healthy influence on an industry plagued with many ills. The return, then, to the Government is in actual dollars and cents on vessels under Government operating differential subsidies as well as in increased economic assets stemming from a healthy, growing American merchant marine. Kings-Pointers are also known unofficially as ambassadors of good will because of the favorable impressions made on peoples in many foreign lands. There is actually, then, a greater return to the Government through graduates of Kings Point than through the various military training programs whose purposes are to train solely for the defense of our country.

I am sure this subcommittee of the great Committee on Appropriations must have been preoccupied with what it thought more important subjects when it treated the training division as it did. We owe it to ourselves, we owe it to the young men who made a contract with us, to restore to that training division the funds that are required to maintain an institution the like of which this country has never previously seen. I sincerely urge upon this committee the favorable consideration of the pending amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Maine [Mr. HALE].

Mr. HALE. Mr. Chairman, I should certainly be the last person in the world to impugn the motives of the members of the subcommittee or the members of the committee who omitted this item from the appropriation bill, but I do very respectfully think they are very seriously mistaken.

Three years ago I had the distinction of serving on the Committee on Merchant Marine and Fisheries, and as a member of that committee I was a visitor to the Kings Point Academy. I know something about that academy and I know something about the work it is doing. I know something about the Maine Maritime Academy, which is located in Castine, Maine. In recent years I have done a certain amount of traveling on American merchant ships and have been privileged to go on the bridge of those ships and watch the work which these merchant marine officers are doing. I know something about their responsibilities in that work, and let me say that they are not merely responsibilities of navigation and seamanship; for when those men get into port they are often confronted with all sorts of situations of a civil nature, political situations and what not, where men need the levelest heads, the best training, and the broadest educational backgrounds; and that is exactly what these schools are giving them.

I should like, if I may be permitted to do so, to read an extract from a letter written me by the president of the Board of Trustees of the Maine Maritime Academy.

His letter reads in part as follows:

The attack on the schools is spearheaded by the Masters, Mates, and Pilots Association, who are taking advantage of seasonal unemployment caused by the fact that the Great Lakes fleet does not sail during the winter months and the lull in American shipping caused by certain rulings of ECA.

The argument on the other side is that you can't stop and start training of officers with every fluctuation in employment or unemployment. Schools, to be of any value must have continuity of program. There are millions of dollars worth of equipment in these schools, faculties have been built up over a period of years, and everybody who has any forethought at all can se that these boys will be needed badly in 2 or 3 years. In fact, from every indication that we can find, we will have no trouble in placing the graduating class in July despite the talk about unemployment.

You and I both know that there will always be unemployment among seafaring personnel because many men earn a large wage for several months at sea and prefer to stay home for several months in order to enjoy their families and to live like other human beings for a while. Therefore the unemployment figure of seafaring men is a

misleading argument which can be conjured up at any time by the Masters, Mates, and Pilots. The same condition has prevailed many times before, and yet the graduates of the State maritime academies have always been able to find employment. Many lines wait with great anticipation for our classes to graduate. This year they are especially impatient because we are graduating for the first time boys who have completed their 3- and 4-year courses, and it is hoped that they will be even better officers than those who have come out before.

Mr. Chairman, I very earnestly hope that the Boggs amendment will be adopted.

(Mr. HALE asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. NICHOLSON].

Mr. NICHOLSON. Mr. Chairman, I do not know anything about Kings Point, but I do know about the Massachusetts training ship, and what work we have done for over half a century. These boys who go on our training ship are all high-school graduates. They take a stiff examination to get on the training ship. They put in their time, and when they graduate, they can be officers in the merchant marine. Further than that, Mr. Chairman, in the First World War, over 80 percent of the graduates of the Massachusetts training ship were officers in the United States Navy, and in this last war, the situation was about the same. It seems to me that if we pay these boys $65 a month, they are getting $10 less than the ordinary seaman in the United States Navy, who do not get the training that our boys get on these ships. We turn out a high-class group of men. Regardless of what may be said, when there is a captain of a boat around our neck of the woods—usually he is a graduate of our training ship. Such a man looks around for boys who have also graduated from these training schools, and he knows that he can depend on them. I think that perhaps we may be able to cut out of some of these other appropriations in the bill enough money to make up for this item. I hope the Congress will take that into consideration, that we have been doing this work for over half a century, and not try to stop it.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. LYNCH].

(Mr. LYNCH asked and was given permission to revise and extend his remarks.)

Mr. LYNCH. Mr. Chairman, it seems to me that we are faced with this situation: If we do not adopt this amendment, we are confronted with two horns of a dilemma. If they get the $65 a month they will be able to go to school. If they do not get the $65 a month they will not be able to go. That means that instead of the average boy from the average home going to the maritime school, we will only have sons of wealthy parents going to the school. I believe it is the sentiment of the House of Representatives that all boys should be treated alike. In my State of New York we have two schools. We have the Merchant Marine Academy at Kings Point, a Federal institution, and we also have the New York State Merchant Marine Academy, in Bronx County, a part of which county I represent. Therefore, I am particularly interested in this proposition. But I am more interested in it for the reason that the father of the American merchant marine, the gentleman from Virginia, Judge BLAND, has approved this amendment. If he thinks it is all right, so far as its effect on the merchant marine is concerned, then I want to tell you that I think it is all right.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. LYNCH. I yield.

Mr. COLMER. Does the gentleman agree that if this pay provision were cut out, it would just mean the slow death of the schools?

Mr. LYNCH. It would mean one of two things—either the time would come when the school would be attended only by the sons of wealthy parents, or the school would be abolished because it had no students.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SCUDDER].

Mr. SCUDDER. Mr. Chairman, this amendment and the appropriation for the support of these schools carries me back to 1935 when the Ways and Means Committee of the California Legislature endeavored to do away with the functioning of the California Nautical School, one of those contained in this appropriation bill. It was quite a difficult task to make a fight during the depression for the restoration of any type of school, but we were able to point out that every boy who attended that school had a good job waiting for him when he got out. He was in competition with people who were not of the same type educationally as he. Therefore, as he was graduated from that school a job was always open.

I know that many of those boys played an important part in the late war, and I was very happy to be a party to keeping alive that school while I was a member of the State legislature.

I feel that this amendment is very necessary because our future is doubtful. I feel that these young men who are graduated from this school will be in a position to play an important part in the defense of our country should war ever come upon us.

I urge the restoration of this appropriation. I feel it is just good sound thinking to keep these schools alive and functioning, and so I ask that you vote in favor of the amendment.

The CHAIRMAN. The time of the gentleman from California has expired.

The gentleman from California [Mr. DOYLE] is recognized.

(Mr. DOYLE asked and was granted permission to revise and extend his remarks.)

Mr. DOYLE. Mr. Chairman, a quick review of the evidence produced in the hearings at page 681 explains one reason why I speak in favor of the Boggs substitute, because the State marine school in California estimates that there will be trained 150 trainees during the year; that at the United States Maritime School in Alameda, Calif., there will be trained 1,568 men during the year. I wish to emphasize, especially to the Members from inland States, that the State of California has the second largest number of miles on its coast line of any State in the Union. I believe Virginia is first. California is a great maritime State. It is highly important to California that this Boggs amendment be agreed to.

On page 685 of the hearings, my distinguished colleague the gentleman from California [Mr. PHILLIPS] brought out the fact that the amount involved per cadet per year is only $1,053.75, if he has 75 cents per day allowance for subsistence.

I strongly urge that the Boggs substitute be approved. I have personal knowledge of the extreme value of such training as the Boggs substitute will permit. The State of California asks for this Federal aid in this important field of only $50,000, for these young maritime cadets.

I have been aboard the splendid ship maintained by the State of California to train these lads. This ship and this school can well be regarded as a necessary adjunct to national maritime efficiency. That the merchant marine rendered a necessary and patriotic service is undisputed. That the State of California needs this Federal assistance and cooperation is undisputed. That it is a sound investment is clear as crystal. Let us vote it.

The CHAIRMAN. The time of the gentleman from California has expired.

The gentleman from California [Mr. PHILLIPS] is recognized.

Mr. PHILLIPS of California. Mr. Chairman, as my distinguished colleague from South Dakota [Mr. CASE] said a few moments ago, and as I will proceed to demonstrate, the minority is not united on this particular subject. I myself think that we should make policy in the Congress, and that when we decide to change a policy it should be done with the consent of the Congress and not by the Bureau of the Budget.

There are two things that I do want to point out. The first is that figures have been cited, which appear in the budget hearings, that there are men out of work, or, as one Member expressed it, on the beach. I point out that this is unsupported testimony; and that in another part of the hearings there is a statement from a representative of the State schools that no graduate of the State schools today who wishes a job is without a job.

My colleague also said there are many students in the United States who would like it if they could have help from the Government, to take courses in medicine or nursing. May I respectfully suggest that is not the comparison; the comparison would be properly: If the Government of the United States had decided to send students to medical schools and had decided to pay them a supporting amount of money while they were in school, would it then be proper for the Bureau of the Budget to decide, in the face of that legislative action by the

Congress, not to give them any more money?

I now yield to the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS of Louisiana. The gentleman, of course, is aware of the fact that there are about a thousand vacant ships in the so-called mothball fleet. In the event of an emergency, if those ships were made ready for use, it would require about 100,000 men to man them.

Mr. PHILLIPS of California. It would require 125,000 men within a few weeks.

The CHAIRMAN. The time of the gentleman from California has expired.

The gentleman from California [Mr. JOHNSON] is recognized for 2 minutes.

(Mr. JOHNSON asked and was given permission to revise and extend his remarks.)

Mr. JOHNSON. Mr. Chairman——

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON. I yield.

Mr. DONDERO. Mr. Chairman, I expect to vote for and support H. R. 4177, the pending bill.

Mr. JOHNSON. I appreciate that.

Mr. Chairman, it happens that the California Maritime Academy is located in my congressional district in the city of Vallejo. The chairman of the Board of Governors is Mr. Henry Blackstone. I wish to use my short time by reading a few statements from a letter from him to me, dated April 1, this year. He writes:

DEAR SIR: I have just received a copy of a letter dated March 25, 1949, addressed to the United States Maritime Commission by Capt. C. F. May, president of the national organization of Masters, Mates, and Pilots of America. This letter contains a recommendation, which if carried out, might seriously impede the splendid training program which has been carried on for many years by the State Maritime Academies of California, New York, Maine, and Massachusetts.

The specific recommendations of Captain May's letter to withdraw certain aspects of Federal aid from the State maritime academies has in our opinion for its primary purpose a reversion to the unsound principle that merchant marine officers can adequately be trained by casual experience in the various vesseis of the merchant marine without any plan as to academic excellence or the higher standards of performance which must exist among the future officers of our merchant marine if it is to survive an increasingly competitive position in world shipping.

There are also indirect implications in Captain May's letter to the effect that the entire training program should be carried out under the sponsorship of the various maritime unions. I believe it will be obvious that this is an entirely new approach to the inherent American principle that education and training for the professions of all kind in American business and industry is an obligation of the educational systems of the various States.

You are undoubtedly well aware of the present weakened condition of the American merchant marine, arising largely from existing, and undoubtedly temporary, world conditions. In the planning for the inevitable great future of a most significant and vital industry, any cut-backs which fail to recognize the inherent soundness of the future of the industry, would obviously be unwise, and it is doubtful if a parallel can be found in any other industry.

The panel on training of merchant marine officers under the chairmanship of Capt. Harold Milde, president of the Master Mariners Guild, and other outstanding shipping executives at the annual merchant marine conference in New York last October gave overwhelming support to the soundness of the training programs conducted by the State maritime academies, and voiced the opinion that the graduates of such training programs had proved in practical operations of ships that the training given was well worthwhile and should be further implemented. This is high praise from the ranking men of the American merchant marine, and should give thought when considering recommendations such as those submitted by union organizations. It will, furthermore, be obvious that the tremendous strides in technical and professional training and education of the American educational system has contributed most significantly to the advancement of American industry. The merchant marine can be no exception.

I can assure you that the California Maritime Academy in its recent budget hearings in Sacramento received the most encouraging support and praise from the major chambers of commerce, civic bodies, executives of the shipping industry, the State department of education, and the parents of the students themselves. We feel that we have a well-established academy on the State college level, which turns out outstanding graduates that are a credit to the State, the Nation, and to the industry, and we feel, furthermore, that the maritime future of our State is inevitable and fully warrants the financial support necessary to maintain it as one of the best of its kind in the world.

In the consideration of the budgetary estimates, insofar as they apply to the State maritime academies, we request your support for the passage of the recommended increase in the Federal grant, the $65 pay per month for cadet midshipmen, and the 75 cents per day subsistence. It should be noted that the summation of the total financial aids to all the academies (California, Maine, Massachusetts, and New York) is considerably less than one-third the amount submitted by the Maritime Commission for the support of the Federal academy at Kings Point and its basic training school at Pass Christian.

It seems to me, Mr. Chairman, that it would be only common sense to pass this amendment and grant to each cadet at the maritime academies the $65 per month allowance which they have previously enjoyed.

The arguments made by Mr. Blackstone are so convincing that I could add nothing to them. He knows whereof he is speaking.

The CHAIRMAN. The time of the gentleman from California [Mr. JOHNSON] has expired.

The gentleman from California [Mr. SCUDDER] is recognized.

Mr. SCUDDER. Mr. Chairman, I have spoken once on this amendment.

(Mr. SCUDDER asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The gentleman from Texas [Mr. THOMAS] is recognized for 8 minutes to close the debate.

Mr. THOMAS of Texas. Mr. Chairman, I wish to compliment the membership on the high order of this debate. It has been good, and it has been instructive. Two statements were made, however, that were not correct; they were innocent misstatements, but I wish to correct them. First, let me see if I can summarize the entire picture for you: In the first place, you have Federal schools on the one hand, and State schools on the other. The great States of California, Maine, Massachusetts, and New York have their own government schools to train deck officers, not enlisted men. The period of instruction is 3 years. Those schools are many, many years of age. One of them is around 75 years old. But the Federal Government instituted this program of helping State schools and established its own program for Federal schools when? Only after the war had been started. If anybody challenges that statement I will tell them exactly the day when the program was started for each school. Let us keep the record straight. If anyone wants to challenge that statement, now is the time to do it.

Mr. BLAND. Was it not established in 1938?

Mr. THOMAS of Texas. It was authorized in 1938, but the schools were started in 1941, 1942, and 1943 as war schools.

Mr. CANFIELD. What was the date in 1941 when this institution began its work?

Mr. THOMAS of Texas. Now, I only have a few minutes.

Mr. CANFIELD. The gentleman wants to be fair, I know.

Mr. THOMAS of Texas. On which school does the gentleman want the date? I will call it off for him.

Mr. CANFIELD. I am talking about Kings Point, N. Y.

Mr. THOMAS of Texas. Kings Point, N. Y., was started in 1941.

Mr. CANFIELD. The month of June.

Mr. THOMAS of Texas. That is right. In 1941.

Mr. JOHNSON. When was the California school started?

Mr. THOMAS of Texas. That is an old school that was started many years before that time. The gentleman is talking about the State school in California?

Mr. JOHNSON. Yes.

Mr. THOMAS of Texas. Long before the war started, and that is what I said to start with. The Maine school was started in 1941, Massachusetts 1893, New York 1874; but Federal Government aid in the form of pay and subsistence was not given to the State schools until July 1, 1942.

This was purely a wartime program.

Somebody has said that these schools were going to be closed down. There is not one bit of evidence any place that we are going to close down these schools. We are not closing them down. On the other hand, we are still giving them subsistence, if you please. There are $221,000 in here for food alone for the State schools. You have these State schools getting subsistence, you are paying the men $65 a month, then giving them food. That is true at Kings Point and at Pass Christian.

Certainly the amendment offered by the gentleman from New York does not take care of the deck schools. You do not give them pay. You just give it to the officers. In fairness to everybody, if you want to do anything you ought to pay the deckhands to go to school as well as the young officers who are going to school.

Mr. Chairman, this was a war training program and like all other war programs,

it is high time to bring it to an end. How are you going to defend it with your voters and taxpayers? How are you going to defend sending this group of young men to school? Certainly, they are fine men, but the industry is crowded. You have thousands of men walking the beach. Yet you are still educating them. How can you go back to your districts and defend the spending of the taxpayers' money for supplying an already overcrowded industry?

Would it not be a fine thing, if you are going to put it on that basis, and we have a shortage of 10,000 to 20,000 doctors and dentists in this country, to pay them $65 a month and let them go to school? If we have another war, will there be anything more scarce than civil, mechanical, and electrical engineers?

So, why not give those boys, who are just as deserving, $65 a month and let them go to school and also feed them? That is what you are doing for the cadet-midshipmen.

Now, gentlemen, it is time to stop this. I know it is difficult. We are not closing down any schools. We are still going to feed them. Under this bill we are still feeding them and we are still giving them a free education, and all we are doing under this bill is just taking away from them $65 a month; There is no Government program in existence today for the Army or the Air Force that is comparable to this. You cannot force one of these boys to serve a day on a ship after they graduate. You cannot force one of them to go into the naval reserve after they graduate. So, this program has not one scintilla of value for national defense.

You recall that during the war the Navy had 3½ million men in service. They are trained today to man our merchant marine fleet and our battleships, if we need them.

Gentlemen, the committee has studied this problem for a long time, and we think we have come to a sound conclusion. We ask your support, in all fairness to the thousands of men who are now on the beach looking for a job and cannot get one, and in fairness to the doctors and the lawyers and the civil engineers and the mechanical engineers who want to go to college at Government expense, and yet you are not providing for them. Why not give it to those people also?

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. LATHAM. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LATHAM. Mr. Chairman, in my humble opinion it would be both a tragic mistake and a breach of faith to our student merchant marine officers if this substitute amendment is not adopted.

None of the schools affected by this legislation are in my district. I do, however, live near the Kings Point Merchant Marine Academy. I have visited the Academy on several occasions and know personally many of the young men who are students there.

I can tell you that they are an unusually loyal, hard working and highly intelligent group of young Americans, who are engaged in very rigorous scholastic training. From all that I have learned in my experience on the Merchant Marine Committee of the House, and my naval service, I can say unqualifiedly that they are the type of men we need to man our merchant marine fleet.

I know of my own knowledge that many of these young men come from poor families. I believe that the great majority who hail from all over the United States, come from families of modest incomes. I am told that if they lose this monthly allowance perhaps 60 percent may discontinue their studies, of necessity, some of them with 2 years or more of schooling behind them.

Mr. Chairman, we cannot let these men down. We cannot afford not to adopt this substitute amendment.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Louisiana [Mr. BOGGS].

The question was taken; and on a division (demanded by Mr. THOMAS of Texas) there were—ayes 82, noes 32.

So the substitute was agreed to.

Mr. THOMAS of Texas. Mr. Chairman, I demand tellers.

Tellers were refused.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MCGRATH] as amended by the substitute.

The amendment was agreed to.

Mr. FENTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this time merely to point out to the Members of the Congress and the country the great disparity between the number of hospital beds provided for in this bill and the number recommended in the Presidential edict, the Budget Bureau recommendation, which would have left us with 16,000 fewer beds in the new construction program. I congratulate the subcommittee on refusing to accept the recommendation of the Bureau of the Budget to make the rescission of $235,000,000, which would actually cut out 16,000 beds.

I do not like to charge discrimination against Pennsylvania, but we realize that in conforming to this Presidential edict of reducing hospital beds to 16,000 the Veterans' Administration had a very difficult problem. However, we feel there are some very important factors which make Pennsylvania a special case in this instance.

For years, almost from the beginning of the Veterans' Administration, Pennsylvania has had far fewer veterans hospitals and beds for veteran patients than any comparable State; in fact, fewer than a number of smaller States, States with far fewer veterans. For comparison, and I do not mean to cast aspersions on any particular State because they are fully entitled to any hospital beds they have, as far as I am concerned, we find that 5 States comparable with Pennsylvania have far more hospitals than Pennsylvania and far more hospital beds. New York, with a veterans population of 2,043,000, has 10 hospitals with 10,829 beds. Illinois has a veterans population of 1,211,000 and has 5 hospitals with over 8,000 beds. California with a veterans population of 1,345,000 has 9 hospitals with 11,548 beds. On the other hand, Pennsylvania, which has the second largest veterans population in the country, 1,424,000, has only 4 hospitals and 4,084 beds. Yet under this new program, this new edict, they are cutting Pennsylvania's proposed bed capacity by 1,450 beds.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. FENTON. I yield to the gentleman from California.

Mr. PHILLIPS of California. I commend the gentleman on bringing out these facts, which I think are very important. May I say that I think one of the difficulties is that the Veterans' Administration is not using the current census figures either for States or veterans in making up this program.

Mr. FENTON. As I said before, I do not want to criticize what other States have. More power to them, because the veterans should be taken care of. However, I do point out the discrepancy between the number of beds Pennsylvania has and the number other States have.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. FENTON. I yield to the gentleman from California.

Mr. JOHNSON. I sat next to the gentleman from Pennsylvania on the Committee on Military Affairs for 4 years. I know how diligent he is in trying to get medical attention for people in the Army and also for veterans. I concur in what my colleague from California [Mr. PHILLIPS] said, that the figures the gentleman from Pennsylvania gave for California are entirely out of line with what the actual veterans' population is.

Mr. FENTON. That may be so, but I am quoting figures, carefully compiled by the veteran organizations in Pennsylvania.

Mr. JOHNSON. We have a million veterans in our State, and we do not have anywhere near the proper facilities for them.

Mr. FENTON. I think that is true of every State, I will say to my colleague.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. FENTON. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FENTON. Mr. Chairman, I hope that I am making clear to the committee that our protest primarily is based upon the fact that Pennsylvania for many years has been required to get along with far fewer beds for our veterans than any fair ratio would dictate. The proposed hospitalization program would not have corrected this disproportion, but it would have helped to ameliorate the acute shortage of hospital space for our veterans. Now, however, we find that 9 percent of the hospital space has been canceled under the order for Pennsylvania construction.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. FENTON. I yield.

Mr. RANKIN. My recollection was that this order cutting out the construction of these hospitals dispensed with the construction of 2,000 beds in Pennsylvania. That is my recollection. I wonder if the gentleman checked those figures?

Mr. MORGAN. The figure is 1,450 beds.

Mr. FENTON. Yes; that was my figure, 1,450 beds.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. FENTON. I yield.

Mrs. ROGERS of Massachusetts. I would like to state for the record from my own knowledge the interest that the gentleman has had in individual veterans as well as in veterans generally all over his State. I know what he has done in recommending medical care and many other things for them.

Mr. FENTON. I thank the gentlewoman.

As a physician and veteran of World War I, myself, I know what it means to a veteran to go pleading to be hospitalized. There is not a week that I go home to my office when there are not a great many veterans there pleading for hospitalization. There are various factors that should be taken into a hospitalization program. There is the factor of the number of the veteran population in each State and whether those hospitals can be properly staffed. In Philadelphia, the proposed 1,000-bed hospital has been cut 500 beds. Everyone will have to agree that Philadelphia is one of the greatest medical centers in the country and perhaps the world. Certainly they can staff such a hospital.

Mr. MORGAN. Is that not also true in the Pittsburgh district?

Mr. FENTON. It is absolutely true for Pittsburgh, as I was about to say.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. FENTON. I yield.

Mr. STEFAN. The Veterans' Administration has reactivated the Schick Hospital in Iowa, which is also available for veterans of Nebraska and surrounding States. But the complaint is that they are not using the space that is available to them there, in spite of the fact that many veterans are clamoring for hospitalization.

Mr. FENTON. Of course, that may be true in some sections, but certainly for years in my area veterans have had to go many miles to Philadelphia or Pittsburgh for their hospitalization. So I think it is a program that should not be cut without any basic reason for it.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. FENTON. I yield.

Mr. HARVEY. I congratulate the gentleman for his statement as well as the committee. We have had the same condition at Billings Hospital in Indianapolis where almost half of the beds, I understand, nearly 500 beds, are available, if the hospital could be properly staffed to take care of the large backlog of veterans who need physical hospitalization.

Mr. FENTON. I certainly agree with the Veterans' Administration that these hospitals should be located in areas where they can be properly staffed.

In Pennsylvania they have the necessary facilities to supply the medical personnel in Philadelphia and Pittsburgh. There is no rhyme or reason why they should cut 500 beds from Philadelphia and give Philadelphia only 500 beds. They are cutting Pittsburgh 750 beds. In Harrisburg, the capital of the great State of Pennsylvania, which has quite a population and quite a veteran population, there are a great many physicians who are capable of staffing the hospital there, and they propose to eliminate that proposed hospital entirely. While I do not like to charge discrimination, yet I do say there is a line of demarcation that comes pretty nearly to discrimination.

I trust the hospital construction for the veterans of this country will go forward as provided for by the Congress.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. FENTON] has again expired.

(Mr. FENTON asked and was granted permission to revise and extend his remarks.)

Mr. McDONOUGH. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. McDONOUGH. Mr. Chairman, I want to compliment the committee on not agreeing with the Bureau of the Budget in rescinding $237,000,000 that was originally proposed, which would have reduced the hospitals by some 24 institutions, and which would have cut out some 16,000 beds in veterans' hospitals across the Nation.

In the brief time I have, I want to impress upon the Members of the House the necessity of this problem and its acuteness in the State of California. I appreciate the problem of the gentleman from Pennsylvania [Mr. FENTON]. He is certainly entitled to his share of what the $237,000,000 will provide, if it is left in the bill. What I am saying is that I hope the Veterans' Administration will read this record, because in the allocation of Veterans' Administration facilities in the State of California they have considered everything on the basis of the 1940 census. That is about as inaccurate as anything could be, because I doubt if there is any section of the United States that has increased in population equal to the State of California, and let me further divide that into Southern California.

During the hearings before the committee, my colleague from California [Mr. HINSHAW], gave some very valuable statistics in connection with this matter. He showed that the number of neuropsychiatric cases has increased to the point where veterans who should be treated in veterans' hospitals are being left in jails and being sent to State institutions. The waiting list for veterans requiring hospitalization for tuberculosis, and other chronic diseases is growing in numbers to the extent that even temporary facilities left there since the war are not adequate.

I do not know whether any of the committee members can answer these questions, but I would like to ask any of them whether if the $237,000,000 is left in the bill, we can have assurance that the Veterans' Administration will use the estimated census at the present time, instead of the 1940 census, especially as it applies to Southern California.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I am glad to yield to my colleague.

Mr. PHILLIPS of California. I think the gentleman's point is well taken. It is a point I had hoped the Members of Congress today would understand. The money was never taken out of the budget. The $237,000,000 has always been in there. It was merely a proposal to take it out, which proposal was refused by the subcommittee. But the gentleman is absolutely right in that the decision regarding the location or the expenditure does not rest with this subcommittee, nor actually with the Congress. It seems to me that the legislative committee should quickly review the situation regarding hospitals and see whether figures have been made up from recent figures, whether they have been made up on the basis of need, or whether they have been made up by some board appointed by some executive agency and answerable to that agency.

Mr. McDONOUGH. The gentlewoman from Massachusetts [Mrs. ROGERS] was on the floor during the debate on the rule. She called the attention of the House to the fact that there was not sufficient money in the bill as it stands now to provide personnel, in the event the $237,000,000 is left in, for additional hospitals. That is a matter of consideration that should be decided, I think, before the bill goes to the Senate.

Mr. PHILLIPS of California. Mr. Chairman, I think it is very unfortunate that it could not be decided here, but we would have to have a building schedule of the hospitals, and on the basis of the building schedule for hospitals which are not yet begun and which as of this moment it is perhaps not the intention of the administrative agency to approve——

Mr. McDONOUGH. That should go in another bill.

Mr. PHILLIPS of California. We cannot include the money when we do not know the amount.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield.

Mrs. ROGERS of Massachusetts. I am informed by the Veterans' Administration that as of the present time there are 3,484 beds unavailable because of the shortage of money for medical personnel, and they will need more as the other hospitals are constructed.

We should not allow this deplorable condition to last much longer. Surely we owe it to our veterans to provide them

with adequate hospitalization. The Hoover task force report on our medical institutions indicates that they need a thorough overhauling and that there is a great deal of inefficiency and too much divided authority which should be corrected. The veteran population of California is much higher than the Veterans' Administration admits and according to the latest figures I have is nearly 1,700,000.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. THOMAS of Texas. Mr. Chairman, I wonder if we can get an agreement on time. I ask unanimous consent that all debate on the bill and all amendments thereto close in 1 hour, 10 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. CASE of South Dakota. Mr. Chairman, reserving the right to object, I wonder if the gentleman would modify his request to include a provision that each amendment pending at the desk be allowed 5 minutes, 3 minutes to be allowed the author of the amendment and 2 minutes to the committee in opposition. I understand there are other amendments which are not at the desk.

Mr. KEATING. I have an amendment which is not at the desk.

Mr. HINSHAW. Mr. Chairman, reserving the right to object, these amendments are considered to be of some importance. I hope the Members offering the amendments will have time in which to support them.

Mr. CASE of South Dakota. Further under my reservation of objection, Mr. Chairman, I think the provision should be included that the author of the amendment be allowed at least 3 minutes, and the committee 2 minutes in opposition; that the others be allowed to speak as the balance of the time may permit.

Mrs. ROGERS of Massachusetts. Mr. Chairman, reserving the right to object, will not the gentleman amend his request to make it an hour and a quarter? There are many Members who would like to speak on the hospital program.

Mr. CASE of South Dakota. That would make it possible for the committee to complete its deliberations by approximately 5:30.

Mr. BIEMILLER. Mr. Chairman, reserving the right to object, I want to be clear about the proposal made by the gentleman from South Dakota as to whether he anticipates other Members who have asked for time may speak to a specific amendment.

Mr. CASE of South Dakota. To the extent that the Chair can identify them and recognize them.

Mr. THOMAS of Texas. Mr. Chairman, I move that all debate on the bill and all amendments thereto close at 5:30, and that on each amendment 6 minutes be reserved to the committee.

The CHAIRMAN. The question is on the motion of the gentleman from Texas.

The motion was agreed to.

(Mr. VAN ZANDT asked and was given permission to extend his remarks in the Appendix of the RECORD.)

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EVINS: On page 17, line 24, strike out "$3,450,000" and insert "$3,739,000."

Mr. EVINS. Mr. Chairman, I recognize that the Subcommittee on Appropriations has had a most difficult job and in the main has done an excellent work. However, I feel that if in our study of the hearings we find a situation which needs correction that such correction should be made. The attention of the committee and the Members of the House should be called to the drastic reduction made in the appropriation for the Federal Trade Commission.

The amendment which the Clerk has just read relates to the Federal Trade Commission and provides for increasing the budget for that agency by $289,000—making a total budget for the FTC for the fiscal 1950 of $3,739,000—the amount the Bureau of the Budget and the President recommended. The committee has reduced the budget request while stating that there was an increase. The report is not entirely accurate or true because the committee failed to take into consideration that a deficiency appropriation in the amount of $173,000 was provided by the Congress for FTC during the last session of Congress—this was necessary then and there may be necessity again for additional funds if this appropriation is not provided.

What does this amendment do? It restores to the Commission the amount of funds which will be necessary to continue the employment of from 80 to 90 stenographers, secretaries, and low-paid Government employees. The committee report indicates they had not cut any funds for monopolistic work of the Commission—this is true in one sense of the word. But why have competent lawyers waiting for stenographers to be called from a pool? The failure to provide the necessary clerical hire and administrative help, I think, is false economy. We are in fact impeding the monopolistic work of the Commission if sufficient secretarial help is not provided. I do not think the committee or the Congress desires to do that. To my mind that is like providing a salary for a Member of Congress but not providing for the necessary office assistance. It is like providing for the fire chief but cutting out the fire wagon. It is false economy, it is being penny-wise and pound-foolish, to reduce the number of low-paid secretarial workers which is so vitally needed by this important agency. I feel sure, Mr. Chairman, that the Congress has no desire to curtail the important anti-monopoly work of the Commission.

In this connection, Mr. Chairman, I should like to refer to a couple of statements of the Hoover Commission on the work of the Commission. The task force division of the Hoover Commission on the reorganization of the Federal Trade Commission states that the Commission throughout its life has been hampered by inadequate funds. The great agency was created during the Wilson administration and since that time, at various periods, there have been those who would like to cut down on the monopolistic work of this agency.

Mr. Chairman, instead of being penny-wise and pound-foolish, I think the appropriation for the FTC should be increased not only by the amount of my amendment but to the extent of one or two million dollars additional so that we may have a vigorous enforcement of our antitrust laws.

On page 128, as regards the Economic Division of the Commission, the Hoover Commission reports that the economic work of the Commission should be greatly expanded if the Commission is to approximate its proper role in the maintenance of free competition in this country.

These are but a few of the many splendid statements that have been made as to the workings of the Commission and of its importance in maintaining fair competition in our country. The FTC is one of the two primary agencies created by the Congress for the enforcement of the antitrust laws. It is an independent, bipartisan Commission—an arm of the Congress and that reports annually to the Congress. Its work is concerned with the promotion of fair competition and the protection of the members of the consuming public as well as the prevention of unfair methods of competition and unfair acts and practices in commerce and the supervision of the growth of monopoly. The Commission is charged with the enforcement of certain acts of the Clayton Antitrust Act, sections of the Sherman Antitrust law, the Robinson-Patman Act, the Federal Trade Commission Act, and the Wool Products Labeling Act, the Wheeler-Lea Drug and Cosmetic Act, the Webb-Pomerine Export Trade law—in all some 12 or 15 statutes enacted by the Congress—the enforcement of which is the responsibility and function of the Commission.

Mr. Chairman, we appropriate funds for foreign aid and assistance and funds for national defense but yet we seemingly like to take a cut at agencies of the Government that are doing good work in the interest of free and fair competition, and I certainly deplore the action of the committee in failing to provide the funds requested by the Commission and the Bureau of the Budget and the President in this instance. I sincerely trust that the amendment which I have proposed may be adopted and that the committee will restore the modest authorization requested. Let us not cut off these 80 or 90 stenographers, secretaries and low-paid Government employees, thus jeopardizing the vital and important work of this agency of the Government. I hope the amendment offered may be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and include certain telegrams, statements, and excerpts, permission for which was granted me in the House.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Chairman, I hope this amendment will be adopted. It only asks the House to restore what the President and the Bureau of the Budget recommended. As the bill reads, this is a devastating blow to one of the most important agencies of our Government. It must be restored if we want to enforce the antitrust laws. The House has expressed itself a number of times in favor of the antitrust laws, and this is striking right at the heart of it, and we must not permit this to happen. Of all times when we need strict, rigid, and vigorous enforcement of our antitrust laws, it is now, when a few large concerns are getting control of our country. We do not want that to happen. We must restore this appropriation. It is vital, and we cannot say that we are for antitrust enforcement and then not provide them with the money to enforce the law.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Tennessee.

Mr. EVINS. I would like to make one observation—that the percentage cut in this particular Division was 45 percent, whereas in other similar divisions the percentage cut was 10 to 15. This is too drastic.

Mr. PATMAN. Absolutely too drastic.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Nebraska?

Mr. STEFAN. The committee, in making appropriations for the Antitrust Division in the Department of Justice, increased their appropriation $100,000 over what the President recommended.

Mr. PATMAN. Why not give this agency as much as the President recommended?

Mr. STEFAN. We gave them $100,000 more than the President recommended.

Mr. PATMAN. This is just as important. You are striking at the heart of an agency here that is just as important as the Department of Justice. We must have it function properly. We cannot see this agency destroyed; and while you are willing to increase the funds for the Department of Justice $100,000, you should not decrease this agency.

Mr. Chairman, I include the following telegrams and excerpts as a part of my remarks:

WASHINGTON, D. C., *April 14, 1949.*

Hon. WRIGHT PATMAN,

House of Representatives:

CIO strongly opposes $289,000 reduction in Federal Trade Commission appropriation recommended by committee and urges full amount of $3,450,000 recommended by Budget Bureau be approved. Economy at the expense of this antitrust agency will cost the people many times what the Government will save. We need more enforcement of antitrust laws, not less.

NATHAN COWAN, *Legislative Director.*

Recommendation that the United States Congress shall be urged to grant adequate appropriations to the antitrust division of the Department of Justice, and to the Federal Trade Commission to the end that monopoly which threatens the welfare of our country shall be exposed and so that violators of the antitrust laws shall be prosecuted.

Adopted, April 13, 1949, by the Economic Action Conference, in which representatives of organized farmers, organized wage earners, and cooperatives of all kinds participated. Washington Hotel, Washington, D. C.

WASHINGTON, D. C., *April 13, 1949.*

Hon. WRIGHT PATMAN,

House of Representatives,

Washington, D. C.:

As president of the National Farmers Union, I urge you to use your influence and prestige to bring about restoration of reductions made in appropriations for Federal Trade Commission. When the bill for independent offices is considered by the House of Representatives these appropriation cuts in view of the present great wave of antitrust law violations are more unjustified than ever before in our history. By cutting administrative funds of the FTC by $289,000, the House Appropriation Committee is virtually wiping out the clerical staff which handles most of the Commission's work. The Eightieth Republican Congress reduced the staff from 700 to 681 and this further reduction will seriously handicap enforcement of our antitrust laws.

JAMES G. PATTON,

President, National Farmers Union.

NATIONAL FEDERATION OF SMALL BUSINESS, INC.,

Washington, D. C., April 14, 1949.

Hon. WRIGHT PATMAN,

Chairman, House Small Business Committee, House Office Building, Washington, D. C.

DEAR MR. PATMAN: Small business of this Nation was promised by both political parties during the recent presidential campaign all-out aid to protect small business through a vigorous enforcement of antitrust laws. In view of the definite commitments pledging adherence to party planks by the presidential nominees small business believed at last what they hoped and prayed for, vigorous enforcement of the antitrust laws, would actually be put in operation.

Although the reduced appropriations recommended by the House Appropriations Committee may appear minor in the over-all recommended appropriations, nevertheless this reduced appropriation, in our opinion, can be a disastrous blow for the Commission to carry on its necessary and needed activities to protect small business of this Nation.

In view of this the federation, in behalf of its Nation-wide membership, and having the largest individual membership of any business organization in this Nation, vigorously opposes the reduction recommended by the House Appropriations Committee and requests that Congress restore the amount to the Commission.

I am attaching herewith a copy of a press release made on yesterday's date, and a copy of a day-letter telegram to various Members of Congress. An unexpected call came to me from the Mutual Broadcasting System to speak on this subject last night from Station WOL, Washington, D. C. Apparently the actions of the Appropriations Committee must be of importance due to the interest expressed by the raido press.

I trust that you will read this into the record, with the attachments, in support of your efforts to have the cut restored to the Commission.

Sincerely yours,

GEORGE J. BURGER,

Vice President in Charge, Washington Office.

NATIONAL FEDERATION OF SMALL BUSINESS, INC.,

Washington, D. C.

Vital activities of the Federal Trade Commission would be drastically curtailed and a premium put on waste and inefficiency unless cuts authorized by the House Appropriations Committee in its independent offices appropriation bill for 1950 are restored, it was charged today by George J. Burger, vice president of the National Federation of Small Business. (Specifically, the committee has cut the figure for the Federal Trade Commission by $289,000 which will mean a reduction of about 60 positions, largely stenographers, typists and research workers who prepare accounting material used in antimonopoly cases.)

"In the face of growing monopolistic practices and restraints, there is a desperate need for action to preserve a free economy," Mr. Burger stated, "yet in spite of this we are treated to the tragic spectacle of the Appropriations Committee, instead of greatly increasing—as it should—the funds for this vital antimonopoly agency, actually reducing them below their present, pitifully inadequate levels."

Mr. Burger emphasized that the Appropriations Committee had focused its cut in such a way as to "penalize efficient operations in Government and to put a premium upon waste and inefficiency." The FTC, he said, is one of a few Government agencies which puts all of its stenographers and typists in a secretarial pool, thus keeping them all busy. Yet, instead of being commended for this efficiency, the commission is severely penalized.

The committee's admonition that "no part of the reduction recommended has been applied to antimonopoly work of the commission" is misleading and inaccurate," Mr. Burger declared. Without secretaries and typists, he asked, how can cease and desist orders, stipulations, findings of fact, and other vital factors in assembling antimonopoly cases be compiled?

"It is difficult indeed to conceive of a more effective method of completely sabotaging and crippling an antimonopoly program than to eliminate the funds required for necessary stenographic and typing help," Mr. Burger said.

The Appropriations Committee suggests a curtailment of the FTC's Bureau of Industrial Economics, saying that, while it is performing valuable service, it can be reduced without seriously interfering with its essential work. In reply to this Mr. Burger pointed out that this division prepares all of the accounting material used in antimonopoly cases, particularly on Robinson-Patman cases, prepares figures on corporate profits and the commissions' economic reports on concentration, monopoly, and small business.

"Which of these functions does the Appropriations Committee wish to curtail?" asks Mr. Burger. "Apparently it does not wish to cut the accounting and economic work on antimonopoly cases, since it has recommended that antimonopoly work should not be curtailed. This leaves the reports on corporate profits and economic concentration and monopoly. Does the committee seriously believe that the Government should be deprived of its official figures on corporate profits? Does it believe that the work of the FTC in keeping Congress and the public informed of the growth of economic concentration and monopoly should be discontinued?"

The only real answer to these questions, and the solution, Mr. Burger concluded, is for the full House of Representatives to restore to the FTC the $289,000 cut made to insure continuance of the commission's work.

Mr. Burger characterized the Appropriations Committee action as "peanut politics"

coming at a time when "all must" is being put on in the ECA program and for general armament of Atlantic Pact countries. He also stated that the Federation is not interested in charity but makes the demand for the restoration of the cut as a matter of self-interest for the welfare of small business of this Nation. A similar argument, he stated, was used yesterday in the House of Representatives in urging approval of the full amount of appropriations for the European recovery program.

WASHINGTON, D. C., *April 13, 1949.*

Hon. WRIGHT PATMAN, Hon. JOE L. EVINS, Hon. FRANKLIN H. LICHTENWALTER, Hon. EUGENE J. KEOGH, Hon. CHARLES A. HALLECK, Hon. LEONARD HALL, Hon. CLARENCE G. BURTON, Hon. WILLIAM S. HILL, Hon. JOSEPH P. O'HARA, Hon. MIKE MANSFIELD, Hon. R. WALTER RIEHLMAN, Hon. JOHN MCCORMACK.

House Office Building,
Washington, D. C.

The House majority leader yesterday in urging full requested appropriations for ERP stated quote it is self-interest—not charity unquote. The same argument can be used in urging full complete requested appropriations for the Federal Trade Commission. Although the reduced amount reported by the Appropriations Committee for the commission may appear minor, it is in our opinion a major cut which will reduce needed and necessary employment in the Federal Trade Commission. So that we may have continued all out help of the commission to protect free enterprise and small business of this Nation, we are not asking for charity but urging your support that the cut be restored solely in the quote, self-interest unquote of our Nation's welfare. May we look for your support on this when the subject matter comes up in the House?

GEORGE J. BURGER,
Vice President in Charge, Washington Office, National Federation of Small Business.

APRIL 14, 1949.

Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.:

American Farm Bureau Federation is opposed to any action which will reduce capacity of Federal Trade Commission and Justice Department to prosecute monopolies. We urge restoration of appropriation for Federal Trade Commission work in this field to amount recommend by budget.

ROGER FLEMING,
Director of Washington Office, American Farm Bureau Federation.

Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.:

What is this Congress trying to do? Is it trying to give the green go light to monopoly while it gives the red stop light to small business and competition? The committee proposal to cut 80 positions more or less from the Federal Trade Commission below the Eightieth Congress and 140 below the prewar level seems to me a sheer abdication to monopoly and to the questionable forces constantly operating in Washington to throttle competition. The effectiveness of the Federal Trade Commission work on behalf of small business and competition can be killed off by cutting its staff. This is how the monopolists operate when they cannot repeal the antitrust laws by a frontal attack. I believe that, when the labor union people of this country hear about this move by the House Appropriations Committee they will ask every Congressman why both parties are talking in favor of small business and in favor of competition and actually voting the way private monopoly wants them to vote. I believe this move challenges the good faith of all believers in free competitive enterprise in America. I ask you to exert all your efforts to defeat this move and to make the Federal Trade Commission an effective tool for preserving a free-enterprise system.

A. F. WHITNEY, *President,*
Brotherhood of Railroad Trainmen.

Mr. JACKSON of Washington. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. JACKSON of Washington. Mr. Chairman, I have introduced a bill today, carrying out the message of yesterday of the President of the United States calling for the establishment of a Columbia Valley Administration in the Pacific Northwest.

Most of the people of my State want this law passed.

They want it passed because they are convinced that private enterprise in their State will vastly benefit from a more orderly development of the resources in the Columbia River.

They want it passed because they know its passage is necessary for the proper conservation of important natural resources.

They would stand ready to do this job themselves without Federal help were it not for the fact that they know that the Columbia River has an importance to the Nation far beyond any local consideration. They would do it themselves were it not for the fact that the Columbia River system does not recognize State boundaries and that the needs of their neighboring States must be met as well as their own needs.

The generators at Grand Coulee Dam in the State of Washington cannot be made fully efficient without water which flows into the Columbia from the States of Idaho and Montana.

Some of the more important dam sites on the Columbia River are at spots where the river forms the boundary between Oregon and Washington. The State of Washington cannot develop these sites alone. The State of Oregon must be taken into consideration.

The evidence is overwhelming that if this river is to be adequately developed, it is a Federal job. The people of my State know this.

People in the State of Washington do not believe that the Federal responsibilities for such development are now organized in such a way as to do this job effectively.

Therefore they want this bill enacted into law.

A good beginning was made in Federal development of the Columbia in the years between 1933 and 1942 when Bonneville and Grand Coulee dams were built—but it was only a beginning. Then came the war, and that great beginning offered the Nation much in the way of armament through its Federal river development. Because of the contingencies brought on by the war, people in the Northwest were content to see certain phases of the program slowed down. After the war, they expected that their Government would make some effort to make up for lost time and keep the development rolling with adequate authorizations for new multipurpose projects.

In the years immediately following the war, the people were disappointed. Federal development was slow, and this slowdown, coupled with the delays which were inevitable results of the war, have placed the people of the Northwest region in an intolerable economic position. There is a power shortage on the banks of the greatest power stream in America. Last summer the Columbia Valley suffered a $100,000,000 loss in property losses due to floods.

The lack of a sound, well coordinated development program, plus the lack of an adequate fiscal policy supporting that program, are the two causes for this failure.

This bill, if enacted, will solve these two problems.

This bill will insure the development of a long range, well balanced program for the river development. It will provide a sound financial basis for implementing this development under the control of Congress.

It will not enlarge the purview of present Federal responsibility. Much will be left to be accomplished by the State and local governments.

The people of my State recognize that, if this bill is passed, they will have heavy responsibilities of their own to meet. They have shown they recognize this by the passage of laws establishing local agencies to implement and support the Federal program at the State level.

The Federal responsibilities to which this bill is limited are responsibilities for investment which is, to a remarkable degree, reimbursable, with interest.

These responsibilities include reclamation development under existing laws which establish standards of feasibility for all projects. They include navigation and flood control developments with adequate statutory support of western water laws.

Finally, these responsibilities recognize fully adequate control of program and expenditure by the legislative area as well as the rights of the people of the region to a voice in the policies of the enterprise.

In view of these facts, the bill represents a minimum program which the Federal Government should undertake.

I urge that the Congress take expeditious action on this legislation.

Mr. MITCHELL. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MITCHELL. Mr. Chairman, the President has sent a special message to the Congress recommending the reorganization of certain major Federal agencies in the Pacific Northwest into a Columbia Valley Administration. I

am introducing a CVA bill to accord with the President's recommendation.

The new CVA bill is the product of extended and careful study; it represents the joint efforts of many good minds. Persons long interested in CVA legislation have contributed valuable advice and suggestions. The earlier CVA bill which I sponsored in the Senate of the Seventy-ninth Congress has been carefully reworked in the light of recent experience.

I urge the members to examine the CVA bill in detail, for it will lay rest many ghosts of criticism conjured up by a few groups or persons unfriendly to such legislation. The CVA which this bill proposes will not create a superstate; it is not a vehicle for socialism; it will not preempt activities appropriately carried on by private enterprise; it will not impair States' rights as conceived and judicially interpreted under our constitutional system; it will not prejudice the policy-making powers of Congress with respect to the matters under its administration; it will not disrupt progress in operations presently authorized or under way.

It is necessary to emphasize so strongly what the CVA will not do, because a fabulous array of misinformation has been built up, inspired largely by die-hard opponents of CVA. Intelligent criticism and honest debate are always helpful. No single legislative charter can settle all problems for all times. Persons who have doubts or reservations, or who seek further information, on particular aspects of the proposed CVA have a right to raise pertinent questions and seek answers. But the die-hard opponents of CVA are not interested in the merits of the case; they ply their trade of professional opposition with epithets and slogans which do violence to the truth.

What the CVA bill sets forth basically is a new and better way of doing things that already are being done by the Federal Government in the region of the Columbia. The impelling logic of the CVA bill is the reorganization of major Federal activities in the region to achieve unity of purpose, economy, and efficiency in operation.

The CVA is the administrative means for realizing the principle of unified river basin development. Modern technology and economy have demonstrated the validity of this principle. The evolution of Federal activities in resources development through the years has been in this direction. Activities originally directed toward single and separate objectives, such as flood control or land reclamation, have broadened out and merged, with resulting confusion in traditional administrative responsibilities. Federal agencies have just grown, sometimes overlapping and duplicative in effort, sometimes working at cross purposes. Thus we have the Army Corps of Engineers and the Bureau of Reclamation both building huge multipurpose dams on the Columbia River and its tributaries. Both agencies, recognizing the logic of unified river basin development, have prepared voluminous reports on the Columbia Basin. These reports differ in many ways, and even if they are reconciled by subsequent adjustment, neither agency has the requisite jurisdiction to do all things necessary to accomplish the desired objective.

A CVA is necessary because the requirements of modern technology applied to the facts of nature have outrun the administrative arrangements presently existing for resource development. By creating a CVA we will be simply putting our administrative house for this region in order, bringing it up to date, and providing an effective method for unified river basin development.

The Hoover Commission has documented the case for unified administration of river basin resources. And although there are some differences of opinion among the commissioners as to the most effective form of reorganization in this field, three commissioners have eloquently stated the problem and its solution in these words:

> Man's proverbial managerial genius is conspicuously lacking when one contrasts the splintered administrative machinery of resources development with the unity of the problem imposed by nature. Unlike some other Government activity, where the results of ill-conceived administration are difficult to measure, this violation of nature's unity of waters and soils is only too apparent.
>
> We are trying to administer natural resources, which demand unified treatment as a physical unity where they are located, through traditionally centralized administrative agencies. The seat of decision and integration is too far removed from the natural subject matter dealt with, and from the State, local, and private persons directly concerned with the programs involved.
>
> One cannot break up nature's unity in the region and then successfully recreate this unity through "coordination" in Washington. Yet that is precisely what we try to do.
>
> We can work in accordance with natural laws—yet we persist in working against them.
>
> Each part of this multiple-purpose development of a region's resources is, despite the unity imposed by nature, now administratively allocated to several separate agencies. No single agency has the responsibility, as has the Tennesee Valley Authority, for studying the natural endowments of a particular region, working out a plan for their best development, and acting as the directing and synthesizing force which is required. The Authority has demonstrated that the responsible agency ned not do all the work itself. Indeed, it should not. But by centering responsibility—in one agency for one drainage basin area—it was possible for the Tennessee Valley Authority to stimulate effectively the auxiliary efforts of other Federal agencies.
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> * * * * *
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> The Tennessee Valley Authority Act wisely recognized that responsibility for over-all multiple-purpose resources development in a river basin must be centered in one agency, if an effective job is to be done. Federal responsibilities should not, of course, encroach upon the established water rights of individuals, municipalities, and States. Rather, it should make it easier for such individuals or agencies to cooperate with the Federal Government.
>
> All our regions, other than the Tennessee Valley, are witnessing bickering and conflicts between Federal agencies. Public funds are being wasted to stake out or protect claims of separate agencies and interest groups. Resources are being dissipated or are not being utilized to bolster the well-being of the region and of the Nation.

The CVA, as the President has so well explained in his message, will enable the work of regional development to go forward in a sound, efficient and orderly way. It will bring a new and dynamic direction to this work. Primary administrative decisions will be made in the field, close to the people, not in some remote central offices in Washington, D. C. The energies and initiative of the people in the region will be utilized to the full. Cooperating with local groups, public and private, and carrying out the Federal responsibilities in the most effective way, the CVA will build wisely for the future.

In summary, the bill for the creation of a Columbia Valley Administration provides for the reorganization and consolidation into a single agency of certain key functions now exercised by Federal agencies in the Columbia Basin area. The bill does not give the Federal Government any new authority beyond the functions now being exericsed by Federal agencies in the region.

Under the terms of the bill, the CVA will absorb all the activities of the Corps of Engineers, Bureau of Reclamation, and the Bonneville Power Administration in the Pacific Northwest, with the exception of channel and harbor improvement work now being carried on by the Corps of Engineers in tidal waters.

The CVA, in cooperation with other public and private groups, would also be charged with preparing definite programs for soil and and forest conservation, mineral exploration and development, commercial and sports fish and wildlife protection, pollution control, and recreation in the region. After approval by the President and the Congress, these programs would guide the other Federal agencies in the region in carrying out their activities.

The bill, comprising 19 sections, would establish the CVA as a Federal corporation headed by a board of three directors serving staggered 6-year terms.

It requires that two of the directors be selected from bona fide residents of the Northwest, and that the administration have its headquarters in the region.

It provides for the transfer of projects, contracts, property, and budgets of the Reclamation Bureau, the Bonneville Power Administration, and the Corps of Engineers in the Columbia Valley to the new Administration with a minimum of delay after the directors are appointed, so that work on existing projects will be continued to speedy conclusion.

The bill contains strong home-rule provisions.

The measure makes it mandatory that the Columbia Valley Administration shall seek the advice, assistance, and participation of the people of the region and their State and local governments and organizations. The Administration will be required to establish advisory boards and councils representative of all interests within the Columbia Valley affected by the Administration's activities. These boards would be permitted to report directly to the President their findings on

the board's operations through the medium of its annual reports.

The bill contains a clause protecting western water rights and applying existing reclamation laws. It states that no provision for works of irrigation in or under this act shall be construed as affecting or intended to affect the laws of any State relating to the control, appropriation, use, or distribution of water, or any vested right acquired thereunder.

The proposed measure contains strong public-power provisions similar to those existing in the reclamation laws, the Bonneville Project Act, and the Tennessee Valley Act. Preference in the sale of power to public agencies and cooperatives and methods for the acquisition of utility systems for resale to such public bodies are included.

A section on financing and repayment provisions includes the establishment of a Columbia Valley Administration fund consisting of amounts appropriated thereto by the Congress, amounts paid into the fund by the Administration, and any amounts transferred to the Administration by the absorbed agencies. This section of the bill permits the Treasury to make advances to the Administration from this fund to meet construction and operating costs in connection with revenue-producing activities.

A number of provisions in the bill are so-called safety clauses, which will protect the public interest. There are, for instance, specific restrictions upon the rights of condemnation which may be exercised by the CVA.

Under the provisions of the bill, the CVA would be prohibited from using any political tests or qualifications for employment or promotion, which must be made on the basis of merit and efficiency. CVA employees would be protected in their jobs in the same way as Federal civil-service employees in regard to tenure, injuries while on duty, and pension upon retirement.

A more detailed summary analysis of the bill follows:

SECTION-BY-SECTION ANALYSIS OF COLUMBIA VALLEY ADMINISTRATION BILL

SECTION 1. PURPOSE OF THE BILL

The proposed bill will reorganize and consolidate certain functions now performed by various Federal agencies in the Columbia Valley region, by establishing a Columbia Valley Administration "to assist in the achievement of unified water control and resource conservation and development in the Columbia River, its tributaries, and the surrounding lands."

Section 1 also provides that the act may be cited as the "Columbia Valley Administration Act."

SECTION 2. DECLARATION OF POLICY

Section 2 declares the policy of the act to be to assist "in achieving the full and unified conservation, development and use of the * * * natural resources of the region, for the purpose of fostering and protecting commerce among the several States, strengthening the national defense, developing the lands and preserving the property of the United States, and promoting the general welfare."

Section 2 also describes the region affected by the act, namely that portion of the Columbia River, its tributaries and watershed, which is within the boundaries of the United States, and those portions of the States of Washington and Oregon (except the Klamath River and Goose Lake Basins) which are not within the Columbia River watershed. The region thus includes all of the State of Washington, most of Oregon and Idaho, western Montana and portions of Wyoming, Utah, and Nevada.

In carrying out this policy:

The Federal activities in the region shall be effectively coordinated with related national policies.

The advice, assistance, and cooperation of the people of the region and their public and private organizations must be sought and relied upon "to the fullest practicable extent."

The cooperation of the Canadians shall be sought so that the development and conservation of the natural resources of the region and adjacent areas in Canada may be integrated.

The doctrine of beneficial consumptive use of water is recognized and there are enumerated certain preferred purposes for which waters of the Columbia Valley region shall be used.

SECTION 3. CREATES COLUMBIA VALLEY ADMINISTRATION, VENUE AND REMOVAL OF SUITS

Section 3 establishes the Columbia Valley Administration as a Federal instrumentality, with its principal offices located at a convenient place in the Columbia Valley Region.

The Administration would be an inhabitant of any Federal judicial district, wholly or partly in the region, in which it carries on activities, for purposes of commencing suit for or against it. Proceedings against the Administration in any State court may be removed by the Administration to the district court of the United States for the district in which the proceeding is pending.

SECTION 4. BOARD OF DIRECTORS

Management of the Administration is vested in a board of three full-time directors appointed by the President with the advice and consent of the Senate. At least two of the directors must be bona fide residents of the Columbia Valley region at the time of appointment, and each director is required to maintain his residence in the region. The Board must appoint a single chief executive officer.

Terms of office for directors are set at 6 years, with terms of initial directors so staggered that one term will expire each 2 years.

The section provides for vacancies in the Board, the salary of Board members, and prohibits a Board member from engaging in any other business or having a financial interest in any public utility company engaged in the power business.

The Board is required to submit an annual report to the President, for transmission to the Congress, in December of each year.

SECTION 5. STATE AND LOCAL PARTICIPATION

The Administration is directed to seek the advice, assistance and participation of the people of the region and their State and local governments and organizations, public and private, to the fullest practicable extent, in carrying out the purposes of the act. The Administration must make arrangements for consultation and interchange of views with appropriate representative of State and local governments and agriculture (including irrigation and reclamation), labor and business interests, as well as the general public, relating to all phases of its activities, and must establish such advisory boards and councils (including as a minimum boards or councils concerned with irrigation and reclamation, power, fishery resources, and navigation) as may be necessary or appropriate to achieve the objectives stated in this section. Any comments which such boards and councils submit for the purpose must be included in the annual reports of the Administration.

SECTION 6. GENERAL POWER AND DUTIES OF THE ADMINISTRATION

This section sets forth the general powers of the corporation, including the housekeeping powers, e. g., the right of the Administration to sue and be sued in its own name.

Subject to the policies, conditions, and limitations stated in the act, the Administration is authorized to construct and operate projects and carry out activities necessary for the promotion of navigation (except for channel and harbor improvement work in tidal waters tributary to the Pacific Ocean), for the control and prevention of floods, for the conservation and reclamation of lands and land resources, for the development and conservation of forests, mineral, and fish and wildlife resources, and for the generation, transmission and disposition of electric energy at wholesale. In connection with any of the foregoing, the Administration may also provide for the development and conservation of the recreational resources and the promotion of sanitation and pollution control.

In the location, design, and construction of any facility the Administration must endeavor to foster, protect, and facilitate the access of all anadromous fish to and from their spawning areas throughout the Columbia Valley region.

To the extent found necessary in carrying out these responsibilities, but subject to certain explicit conditions and limitations, the Administration is authorized to appoint personnel, acquire and dispose of property, conduct studies and research, and carry on other necessary activities.

With respect to the acquisition of property the Administration is given the same right of condemnation now exercised by the Bureau of Reclamation and the Corps of Engineers, but the Administration is further limited by a provision that it cannot condemn any water right unless it is appurtenant to land acquired incident to the construction of dams, reservoirs, or other facilities.

The Administration is directed to carry out its construction work by contract so far as practicable, but may undertake construction work directly under certain limited conditions.

The Administration is authorized, and may be required by the President, to conduct any of its activities through or in cooperation with other Federal agencies. It also is authorized to conduct its activities through or in cooperation with States and local governmental agencies, educational, and scientific institutions, or other bodies or agencies, public or private. It also is authorized to use its funds in connection with such joint and cooperative arrangements.

SECTION 7. COORDINATION OF FEDERAL PLANS AND PROGRAMS FOR RESOURCE DEVELOPMENT, REGIONAL BUDGET

The Administration is made responsible for preparing multiple-purpose and unified plans and programs for the conservation, development and use of the natural resources of the region. These plans and programs would be prepared for the use of the President and the Congress in guiding and controlling the nature, extent and sequence of Federal activities in the Columbia Valley region and in coordinating such activities with related national policies and programs.

In preparing such plans and programs, the Administration is required to consider existing surveys and plans and to obtain the advice and assistance of appropriate Federal, State, and local agencies, educational institutions, and private organizations and persons.

Such plans and programs shall cover irrigation, navigation, flood control, electric power, commercial and sport fish and wildlife protection, soil and forest and range con-

servation, mineral exploration and development, pollution control, and recreation. The plans must set forth the major projects and activities recommended and the method by which such projects and activities would be undertaken, including arrangements for joint and cooperative action by the Administration, other Federal agencies, and State, local and other agencies. The plans and programs must also include evidence that each major project or activity is economically sound and in the public interest.

The Administration is directed to prepare, in cooperation with other Federal agencies concerned, and submit annually to the President in connection with its budget program, a statement of the anticipated program for the conservation, development, and use of the natural resources of the region by the Administration and other Federal agencies concerned with those activities.

SECTION 8. TRANSFER OF PROJECTS, PROPERTY, AND FUNCTIONS TO THE ADMINISTRATION

This section provides for the transfer to the Administration of the properties, projects, and functions of the Bureau of Reclamation, Bonneville Power Administration, and, except for channel and harbor improvement work in tidal waters tributary to the Pacific Ocean, of the civil works projects and activities of the Corps of Engineers within the Columbia Valley region. No other transfers of properties, projects, and functions are made by the act.

SECTION 9. DISPOSITION OF ELECTRIC ENERGY

The Administration is authorized to dispose of surplus electric energy, at wholesale, under policies established by existing Federal legislation, such as the Bonneville Project Act, under the Bonneville Power Administration operates. These policies include the construction of necessary transmission facilities, the encouragement of the widest possible use of available electric energy at the lowest possible rates to consumers, particularly domestic and rural consumers, and the granting of preference and priority to public bodies and cooperatives in the disposition of electric energy.

The section sets forth minimum requirements for rate schedules. To aid in the disposition of the surplus power of the Administration and to give effect to the preference accorded to public and cooperative agencies in the purchase of such power, the Administration is authorized to acquire, although not by condemnation, electric utility systems, and is directed to dispose of any distribution facilities so acquired, to public bodies and coperatives, as rapidly as possible.

SECTION 10. RECLAMATION PROVISIONS

The Administration is authorized to construct and operate projects for the reclamation of lands in the region. Such work will be carried out generally in accordance with the policies prescribed in the Federal reclamation laws, such as the limitation of acreage of irrigable land, and the periods and manner of repayment by water users organizations.

Existing water rights will be protected and future water rights will be acquired in accordance with the provisions of State law in the same manner as these rights are protected and provided for in section 8 of the Reclamation Act of 1902 under which the Bureau of Reclamation has been operating for more than 45 years.

In connection with reclamation projects the Administration may acquire and improve lands for disposition to persons desiring to settle thereon, preference being given to veterans. Lands may not be acquired by condemnation for this purpose.

SECTION 11. ALLOCATIONS AND ACCOUNTS

The Administration is required to allocate the costs of constructing and acquiring and the costs of operating and maintaining all facilities under its management and control among the various purposes served by such facilities. Costs of water-control projects may be allocated among only certain specified purposes.

The allocations of construction costs and the periods and rates of depreciation and of amortization of repayment obligations, which the Administration determines, must be approved by the President before they are effective.

A statement of the allocation of construction costs, and depreciation and amortization schedules, must be submitted to the President for transmission to the Congress within 5 years from the date of enactment of the act. Thereafter a similar statement for additional facilities is to be filed annually.

The Administration must at all times maintain complete and accurate books of account. Accounts with respect to generation, transmission and disposition of electric energy are to be kept in the manner provided by section 303 of the Federal Power Act.

SECTION 12. FINANCING AND REPAYMENT PROVISIONS

The Government Corporation Control Act is made applicable to the Administration and its transactions and operations shall be subject to the controls provided in that act.

In addition, the Administration may not initiate construction of any major water control or electric generating project or major transmission line into a new service area or undertake any new major type of activity authorized by the act unless the project or activity has been approved by the Congress in the Administration's budget program. Once the initiation of construction is so authorized, however, arrangements are contemplated whereby the Administration will have contract authority to assure completion of such projects in accordance with the most economical construction schedules.

There is established in the Treasury a Columbia Valley Administration fund consisting of amounts appropriated thereto by the Congress, amounts paid into the fund by the Administration and any amounts transferred to the Administration under section 8. In general, advances from the fund may be made to the Administration to meet construction and operating costs in connection with revenue-producing activities.

Costs of projects and activities for which advances are not authorized (generally, non-revenue-producing operations) may be met by appropriations following the inclusion of estimates in the Administration's annual budget program.

Advances from the fund to pay costs allocated to predominantly revenue-producing purposes, such as power, irrigation, and municipal water supply must be fully repaid to the fund, together with interest on all such advances with the exception of those used to pay costs allocated to irrigation. The interest rate is to be determined by the Secretary of the Treasury. Existing policies relating to repayment of Federal investment in power and water facilities are adopted on a region-wide basis.

Receipts derived from revenue-producing activities may be used for the payment of the costs insured in connection with such activities. However, receipts in excess of those necessary for the Administration's working capital requirements must be paid into the Columbia Valley Administration fund.

SECTION 13. PAYMENTS IN LIEU OF TAXES

The Administration is directed to make payments in lieu of State and local property taxes to States and local taxing units pursuant to the formulae established by this section. In general, the payments are designed to make the State or local taxing unit whole for any loss of tax revenues resulting from the Administration's acquisition of property. Additional payments may be made to State or local governments to help defray the expense of any special requirements for State and local government services arising from the Administration's activities.

SECTION 14. PROCUREMENT OF SUPPLIES AND SERVICES

This section provides for purchases and contracts for supplies or services, except for personal services on a competitive bidding basis, with certain minor exceptions, consistent with general Federal policy.

SECTION 15. PERSONNEL PROVISIONS

This section provides for personnel matters including compensation for employees suffering injury, social security benefits for employees not covered by the Civil Service Retirement Act, and unemployment compensation benefits, to the extent permitted by State laws, for a portion of the administration's employees, chiefly laborers, mechanics, and workmen engaged in construction work or operation and maintenance of the administration's properties and facilities.

Construction contractors must pay prevailing rates of wages in accordance with the provisions of the Bacon-Davis Act, applicable generally to Government construction contracts.

The administration is prohibited from using political tests or qualifications for employment or promotion; and employees will have the same protection in their jobs as Federal civil service employees. Provision is also made for collective bargaining agreements with the administration's employees.

SECTION 16. INDIAN LANDS

The general authority of the administration extends to Indian lands to the same extent as to other lands. However, special provision is made to fulfill the Government's obligations as trustee for any Indians where Indian lands are affected by the administration's activities.

SECTIONS 17, 18, 19

These sections cover repealer and savings provisions, separability, and the construction of the act.

Mr. DOYLE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. DOYLE addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, I hope every member of the Committee has a copy of the committee report in front of him.

Now, let us not kid ourselves about this. If you are going to save money, you have got to start saving money somewhere.

The bill before you gives the Federal Trade Commission more money than it had last year. On page 45 of the committee report you will find that last year they had $3,448,000. This year we are proposing to give them $3,450,000 which is a bit more than they had last year, even though we do lop off $289,000 of the requested increase.

Take the report and turn to page 12. There you will find this language:

No part of the reduction recommended by the committee has been applied to the anti-monopoly work of the Commission.

If the Commission will apply the cuts where the committee says to make those

cuts, they will have all the money that the budget recommended for this antimonopoly work.

Let me read further:

The reduction of $289,000 is applied in substantial part to employees of the Bureau of Administration which is greatly overstaffed in relation to the operating personnel of the Commission. Figures presented to the committee show that the divisions making up the Bureau of Administration have a total of 187 employees and that the entire Commission pay roll totals 681.

Think of it. There have been 187 employees out of 681 devoted to housekeeping operations.

No other agency asked to have that many housekeeping employees for such a small total pay roll.

If the Commission will follow the committee report and apply this reduction to cutting down on its housekeeping activities, it will have all of its money for the antimonopoly work.

We also suggest that they cut some in the Bureau of Industrial Economics, but the antimonopoly work is fully provided for.

If we are going to do anything on economy, if we mean anything at all in our words about stopping the growth of bureaucracy, let us stand fast once in a while when the committee, while giving an agency more money than it had last year, still tries to cut down on some of the superfluous administrative employees. If you are going to reduce anywhere, you have to reduce somewhere. Here is a place to do it.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. BIEMILLER].

(Mr. BIEMILLER asked and was given permission to revise and extend his remarks.)

Mr. BIEMILLER. Mr. Chairman, I think from the speech just made by the gentleman from South Dakota one might get the impression that under this proposal by the committee a lot of people would be cut out of jobs who are just standing around doing nothing. As I understand the proposed cut, its most drastic effect would be to curtail the activities of the stenographic pool, which is included in the group of people who are mentioned in the report the gentleman from South Dakota has just read. In other words, if we are to follow the Appropriation Committee's recommendation, while they tell us they have not taken out any money that would be used for antitrust work, actually what we would have is a group of high-paid professionals around who would have no stenographic service at their disposal. This would be very short-sighted economy, in which we would have lawyers and economists, who are being paid well by the Government, who are highly trained for their work, but who could not get any work accomplished because there would be no stenographers ready to do their job when needed.

That seems to me a very short-sighted policy. In effect, we would be handicapping the work of the Antitrust Division.

I congratulate the distinguished gentleman from Tennessee on bringing in this amendment. I think it is desirable. I think we need it very much, indeed. I hope that the committee will see fit to restore these funds which the Committee on Appropriations has stricken, and that we will, in other words, maintain the Federal Trade Commission's efficiency in the fine work it has always done in protecting small business in the United States. Certainly we need all the protection we can get against the ever-growing threat of monopoly.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. BIEMILLER. I am pleased to yield to my good friend the able and distinguished gentleman from Colorado.

Mr. CARROLL. I understood the gentleman from South Dakota to say the committee is giving this agency more money than it got last year. I think we ought to make the point that of this money, $222,500 is accounted for by salary increases granted by the Congress last year.

Mr. BIEMILLER. I thank the gentleman for his contribution, which is well taken and to the point.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TAURIELLO].

Mr. TAURIELLO. Mr. Chairman, I first want to commend the distinguished gentleman from Tennessee for offering this amendment to restore the $289,000 to this agency. I believe, like the other gentlemen who have spoken here, that if this money is not restored to this agency their function will be impaired to the degree where small businesses will not be able to get the help we are talking about giving them. From day to day we see big business gobble up small business, drive small business to the wall, where they are ruined. They need some help from us who sit here making the laws for this great country of ours.

I heartily support the amendment offered by the distinguished gentleman from Tennessee, that this money be restored to this agency so that we can give the little merchants, who are the backbone of this country, every assistance we possibly can, so that big business will not gobble them up and drive them out of business. I ask that you support the amendment offered by the gentleman from Tennessee.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS of Texas. Mr. Chairman, let me summarize, if I may, just what this is all about. In the first place, the Federal Trade Commission has received perhaps one of the smallest cuts of any agency in this entire bill. It will figure out just about 7 percent. This agency has seven different functions. The big function is antimonopoly. Someone said we were crippling them and cutting them down. As a matter of fact, we have directed and asked the Commission not to curtail one job from the number authorized. How many have been authorized for antimonopoly work in 1949? Two hundred and ninety-two. How many for 1950 did we cut out? Instead of the number being 292, we have increased that number by 4 positions, which makes a total of 296 jobs. Yet they say we are trying to cripple antimonopoly work, while we are actually increasing it.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of Texas. I yield.

Mr. PATMAN. Is it not a fact, though, that you are depriving them of the necessary clerical and stenographic assistance?

Mr. THOMAS of Texas. Not a bit in the world, I will say to my distinguished colleague from Texas. They have six-hundred-and-eighty-and-some-odd employees, and 187 of them are devoting their time to housekeeping activities.

Do you know of any type of personnel in the Government that we have more of than economists and statisticians? Every Government agency of any magnitude has economists and statisticians, and the taxpayers of this country are sick and tired of a lot of statisticians and economists and fact-finders burdening business. There are 51 engaged in this work, which is twice too many. We have directed that some of the cut come out of those 51 economists. We also have directed that some of the cut come out of housekeeping facilities. We directed that not a single cut come out of the antimonopoly work, which is really the backbone of this agency's entire operations. Of course, the Wool Labeling Act had 64 employees last year and the year before last and the year before that. Certainly the employees engaged in the administration of that act, which has been in effect for 10 years, should have become more efficient and can render better service because of the experience they have gained over that period. We have not hurt this agency in the slightest.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of Texas. I yield to my distinguished friend from Tennessee.

Mr. EVINS. The gentleman may be correct in figuring that the percentage cut over all was 7 percent, but the percentage cut on this particular Division was 45 percent.

Mr. THOMAS of Texas. Which Division does the gentleman refer to?

Mr. EVINS. The Economic Division and the Administrative Division.

Mr. THOMAS of Texas. I beg my friend's pardon. We did not direct how much of a cut should be taken from those Divisions. We just directed that some of the cut be made there, and we directed that not one man be taken from antimonopoly work.

Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. EVINS].

The question was taken; and on a division (demanded by Mr. EVINS) there were—ayes 23, noes 71.

Mrs. DOUGLAS. Mr. Chairman, I ask for tellers.

Tellers were refused.

So the amendment was rejected.

Mr. HINSHAW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HINSHAW: On page 8, line 20, insert the following:

"WAR CLAIMS COMMISSION

"ADMINISTRATIVE EXPENSES

"For expenses necessary for the War Claims Commission, including personal services in the District of Columbia; travel expenses; printing and binding; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; $600,000, to be derived from the war claims fund created by section 13 (a) of the War Claims Act of 1948 (Public Law 896, approved July 3, 1948)."

Mr. HINSHAW. Mr. Chairman, when the Japanese landed in Leyte's Gulf in 1941 and moved forward into Manila, they captured there some six or seven thousand American citizens and placed them in internment camps in the Philippines. They drove our troops onto the Bataan Peninsula and eventually captured those who remained, and then occurred the famous death march of Bataan. The Japanese then proceeded to Guam, to Wake Island, and there they captured workers who were employed there by contractors for the Navy, and took them to Japan. All of those prisoners were citizens of the United States, taken on soil under the American flag. They were brutally mistreated, they were starved, beaten, kicked, and many of them killed, some of them beheaded.

We of the Committee on Interstate and Foreign Commerce brought you a bill last year which is now known as Public Law 896 of the Eightieth Congress. The bill was cosponsored by the gentleman from Texas [Mr. BECKWORTH] and the gentleman from Pennsylvania [Mr. VAN ZANDT] as it was a combination of our three bills that covered into the United States Treasury all of the assets of Germans and Japanese in the possession of the United States, and set them up in a war-claims fund. We provided for certain payments to be made by the Federal Security Agency out of that war-claims fund and we provided the setting up of this War Claims Commission. That Commission cannot be set up until the first appropriation has been made. That appropriation has not been made by this House. It was inserted in the first deficiency bill in the other body, and that first appropriation will probably be agreed to, we hope, by the House when the conference committee report comes to the House.

Now we have fiscal year 1950 to consider, and still no appropriation is carried for this War Claims Commission in the 1950 fiscal year.

I have proposed an amount in the pending amendment which was proposed by the representative of the Bureau of the Budget when he came before the Committee on Appropriations, in the amount of $600,000. That is not tax money of the people of the United States. That is money that we had in our possession—in the possession of the Alien Property Custodian— and the total is composed of German and Japanese assets in our possession in the United States.

Mr. THOMAS of Texas. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. The gentleman has 6 minutes. If he will yield me some of his time, I will be glad to yield.

I hope the committee will do something about this. The members of our Committee on Interstate and Foreign Commerce tried to do it, because large numbers of these people are literally on public charity in the United States today. We have taken care of the Filipinos and the Europeans, if you please, but we have not done a thing for our own American citizens who were captured and suffered torture and starvation.

The CHAIRMAN. The time of the gentleman from California [Mr. HINSHAW] has expired.

Mr. THOMAS of Texas. Mr. Chairman, I would like to yield 1 minute of my time to the gentleman from California to ask him a question.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. HINSHAW. I will be glad to yield to the gentleman.

Mr. THOMAS of Texas. Your amendment covers 1950, $600,000, as I understand it.

Mr. HINSHAW. That is correct.

Mr. THOMAS of Texas. I am authorized by the chairman of the committee the gentleman from Missouri [Mr. CANNON] to state, and also authorized by the gentleman from South Dakota [Mr. CASE], that if the gentleman saw fit to withdraw his amendment at this time, the deficiency committee would take up in due course, when they were considering the final deficiency, the item for administrative expense or other expenses necessary for 1950.

Mr. HINSHAW. The gentleman has said they will take it up. Does that mean that they will bring in a deficiency for 1950 as has been advocated by the Bureau of the Budget, or that they will take it up?

Mr. THOMAS of Texas. I cannot tell the gentleman what they will do. They told me they would consider it, and I am sure they will, in good faith.

Mr. HINSHAW. I am sure they will, in good faith.

The CHAIRMAN. The time of the gentleman from California [Mr. HINSHAW] has again expired.

The gentleman from New Jersey is recognized.

Mr. HAND. Mr. Chairman, I rise in support of the amendment offered by the gentleman from California. Mr. Chairman, in view of the lack of time, which has been fixed, I ask unanimous consent to extend my remarks at this point in the RECORD and to transfer my time to the gentleman from California.

Mr. CASE of South Dakota. Mr. Chairman, reserving the right to object, I should like to state that it was my understanding of the colloquy between the chairman of the subcommittee and the chairman of the full committee that the situation here is that this Commission to get started does need some funds in 1949, and that some funds to permit its getting started in fiscal 1949 are proposed in a deficiency bill pending in the other body. Obviously, unless the Commission is started in 1949, it does not need funds for 1950.

Mr. THOMAS of Texas. That is right.

Mr. CASE of South Dakota. But if agreement is reached on that, if the Commission is granted some funds to get started, that an opening will be made in the deficiency bill for funds for 1950.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey [Mr. HAND]?

There was no objection.

Mr. HAND. Mr. Chairman, I arise in support of the Hinshaw amendment. It is disgraceful that this Commission has not been activated, and that Congress has not heretofore appropriated the necessary moneys for it to function. In the much maligned Eightieth Congress one of the first bills that was considered in 1948 was the measure to set up the War Claims Commission. The House of Representatives passed this bill on January 26, 1948, and passed it unanimously. It is, therefore, clear that the deplorable delay which had attended the examination and payment of these claims was not then the fault of the House.

The bill was caught in the legislative jam, which sometimes occurs at the other end of the Capitol, but nevertheless it was finally passed, and was approved by the President on July 3, 1948. By this time the Congress had adjourned, and the question of appropriations was necessarily deferred to the opening of the Eighty-first Congress.

However, we have now been in session 3½ months and still there is no action. On January 24, 1949, the White House forwarded supplemental estimates of appropriations and included therein was an appropriation to at least get started the War Claims Commission.

Notwithstanding the fact that this legislation is very nearly a year old, and that it has the unanimous approval of the Congress, and that the President has asked that it be implemented by an appropriation, the Appropriation Committee apparently has not yet acted. The House has considered and passed the first deficiency appropriation bill, but no provision was made therein.

On April 8, 1949, when the House was considering the second deficiency appropriation bill, the gentleman from California [Mr. HINSHAW], who handled this original legislation in the Republican Eightieth Congress, offered an amendment in the precise terms which had been recommended by the President, and urged that it be adopted without any further delay. To my astonishment, the appropriation was opposed by the committee leadership on the rather flimsy ground that the committee was now considering it, and that it will get further consideration in due course, and because of this opposition the amendment was defeated.

Now the due course which was referred to certainly must have been the appropriation bill for independent offices which is now before the House, and which still does not include an appropriation for the War Claims Commission. The bill appropriates about $7,000,000,-

000, and among the many items that are in it are appropriations for Indian claims, and appropriations for Filipino claims, but again, as is so often the case, our own citizens are ignored.

Mr. Chairman, I had the recent pleasure of being a guest at the national convention of the American Defenders of Bataan and Corrigidor which was held in Atlantic City. Among the glorious pages of American history this hopeless and gallant defense of the Philippines will always stand out. I talked to men there who, as a result of imprisonment at the hands of the Japanese, came back to this country as complete physical wrecks. It was not extraordinary for healthy, mature men to return to this country weighing 95 pounds. They were beaten, tortured, and starved, and the overwhelming number of them did not come back at all. I talked to the national commander of this organization, Mr. Simme Pickman, of Boston. I talked to Gen. Clifford Bluemel of my own State of New Jersey. I talked to the rank and file of the organization. This group in particular is worthy of our help to the fullest extent. God knows they are not asking very much. If we ever get around to setting up this Claims Commission it can allow them a dollar a day for the time spent in brutal incarceration. What will be more often the case, it can allow the widows and orphans such compensation.

How we can delay a moment longer this long-overdue act of justice to these heroic soldiers is more than I can understand.

Their stubborn bravery in the face of insurmountable odds was one of the most inspiring events of the war, and did much to encourage America in its blackest hour. There is no excuse for deferring longer the immediate recognition of their modest claims.

Mr. Chairman, I hope that this amendment will be adopted at once, and if it should not be, that we can rely on its inclusion in the third deficiency appropriation bill, to be considered very soon.

Mr. THOMAS of Texas. Mr. Chairman, I wish to use 1 minute of the time allotted to the committee.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. THOMAS of Texas. Mr. Chairman, I yield to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Mr. Chairman, the point I wished to make in answer to the gentleman from California, my distinguished colleague, was that there is no reason whatever to think that the money will not be appropriated, as every action of Congress on that line has been unanimous in both Houses, and there has been no resistance in either the regular committee or the Deficiency Committee to the matter, but we should handle it in some orderly fashion by getting an estimate of appropriation from the Bureau of the Budget.

Mr. HINSHAW. If the gentleman will yield to me to reply, I will say that the deficiency estimate was on the desk of the Committee on Appropriations in January, and the Committee on Appropriations did nothing about it in January. It is contained in House Document 44, dated January 25. The first deficiency bill came out on the 14th of February. If I am going to have that kind of assurance, it is not worth much; but I think the assurance we are getting today is considerably better.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The gentleman from Texas [Mr. BECKWORTH] is recognized for 2 minutes.

Mr. BECKWORTH. Mr. Chairman, I certainly agree with what the gentleman from California [Mr. HINSHAW] has said. Our committee worked a long time to bring out a bill that authorized the setting up of the War Claims Commission.

It is interesting to note what is happening. I have in my possession a report from the Justice Department showing that $10,000,000 has already been given back to people, many of whom are not citizens of the United States, people who are obtaining property from the Alien property fund today. There are some interesting facts about alien property. I want to repeat what I have said on the floor a number of times previously: At the beginning of World War I we took over much alien property. Within a very short time many of those people who were regarded as enemy aliens got that property back. At the beginning of World War II we took possession of approximately $400,000,000 worth of enemy property. People—non-citizens again—are getting back this alien property now. While we are waiting, soldier boys who have been promised a dollar a day because they were improperly fed are waiting for this Congress to act. President Truman asked that we pass the legislation last July, requested that the Congress give adequate money during the special session that was called soon after July. I say that anything short of a commitment to make this money available is certainly not keeping faith with our own soldiers and civilians who suffered at the hands of the enemy.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The gentleman from Rhode Island [Mr. FOGARTY] is recognized.

Mr. FOGARTY. Mr. Chairman, I have been trying to get recognized so that I could yield my time to the gentleman from California [Mr. HINSHAW]. I just want to say that we see eye to eye on this proposition, but we were getting a little bit worried because we thought action should be taken by the committee on the first deficiency in this House. It was not. It has been left up to the Senate to do something about this deficiency in 1949 and I am very happy to hear the chairman of this subcommittee give us the word of the chairman of the full committee that something will be done when they get some kind of an estimate for the fiscal year 1950, because the only ones who are being taken care of are religious organizations, civilian internees during the war, and prisoners of war of the Japanese, most all of them in the Pacific.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from California.

Mr. HINSHAW. Mr. Chairman, under these assurances I believe that we probably will get this commission organized and going pretty soon.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of California:

Page 63, line 23, after the word "intermittent", strike out "employee of the agency concerned" and insert in lieu thereof "positions which can be financed under the funds available to the agency concerned."

Page 64, line 8, strike out the period and insert ": *Provided further*, That for the purpose of this section any employee engaged in personnel work who is on extended sick leave of 30 days or more shall not be included in determining the ratio."

Mr. CASE of South Dakota. Mr. Chairman, I make a point of order against the amendment that it includes legislation and imposes additional duties. It is affirmative legislation in defining what employees might be considered eligible.

The CHAIRMAN. Does the gentleman from California desire to be heard?

Mr. MILLER of California. Yes, Mr. Chairman.

This is merely an extension of the language in the bill limiting the number of employees that may be employed for personnel work to 1 to 125. What I seek to do is to clarify the situation that makes the present application of this restriction that is written in the bill unworkable. It in no way changes that which is in the bill. It merely takes cognizance of the practical application of the proposed legislation in the bill now limiting personnel workers to 1 to 125.

The CHAIRMAN. The Chair is ready to rule.

The language of the amendment, in the judgment of the Chair, is entirely proper. It is a restatement of the language contained in the bill. The point or order is therefore overruled.

Mr. MILLER of California. Mr. Chairman, I have another amendment. The present amendment goes to title I of the bill, the general provisions. The same general provision appears in title II of the bill on other pages. It is exactly the same proposition repeated and I ask unanimous consent to consider both amendments at once in the interest of economy of time.

Mr. THOMAS of Texas. Mr. Chairman, reserving the right to object, I do not think there is any disagreement between the gentleman from California and the committee. I may say it was the intention of the committee to cover the point involved as pointed out by the gentleman from California. In other words, if you have a man on extended sick leave, this amendment will not affect him. There is no difference in

the gentleman's viewpoint and that of the committee.

The CHAIRMAN. The gentleman from California asks unanimous consent that the same language be considered in connection with section 202 on page 74, starting with line 6. Is there objection to the request of the gentleman from California?

Mr. THOMAS of Texas. Mr. Chairman, we object at this time. We understand there is no difference of opinion between the gentleman from California and the committee and we hope he will withdraw his amendment.

Mr. MILLER of California. Just for the sake of the record, I would like to say that I appreciate what the committee is trying to do. I subscribe to it wholeheartedly. The rigid language in the bill sets up an unworkable condition that would be costly to the Government, particularly in those agencies that employ seasonal labor. They would not be able to employ the whole number of their personnel people until after they had gotten their full number of employees. The same is true where there is fluctuation in employment; it would require daily reports to determine the varying number of personnel people authorized, and then again, as was pointed out, the confusion with respect to sick leaves.

With the assurance of the chairman of the subcommittee that it is understood that it is not the intention to have this provision rigidly enforced so that it does reflect and destroy the very thing that the committee is trying to do—increase efficiency in this field—I ask unanimous consent to withdraw my amendments.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KEATING: On page 45, line 14, strike out the figure "$9,000,000" and insert in lieu thereof the figure "$4,500,000."

Mr. KEATING. Mr. Chairman, I wish that all the Members of the House could read, as I have, the examination of the head of Selective Service as it was conducted by our distinguished and genial friend the gentleman from Texas, the chairman of this subcommittee [Mr. THOMAS]. His unusual talents were never put to better use. I am sure that in reading that, no one would reach any conclusion other than that we should give Selective Service for next year a considerably less sum of money than is provided in this measure; $9,000,000 is, to state it conservatively, twice what they need.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from New York.

Mr. TABER. Would it not be a very good idea to save a big block of money right here?

Mr. KEATING. Well, it certainly seems so to me, may I say to my distinguished friend from New York,

Mr. TABER. Instead of paying people for doing nothing.

Mr. KEATING. Exactly. Last year they were given $16,700,000 at the time when we had the draft in operation, and for next year, when there is to be no draft, when the Army and the Air Force and the Navy and all say there will be no draft, they are given over half as much as they had last year.

One might ask why is the figure $4,500,000 used? I think, if anything, it errs on the side of generosity. If the Members will just look at page 463 of the hearings, they would find this question by the chairman of the subcommittee, the gentleman from Texas [Mr. THOMAS]. He said:

In other words, you are seeking as many employees in the headquarters office for 1950 as you had in 1949, and about 25 or 30 more than you had in 1948.

Now, it must, in all fairness be said that by reducing the figure almost in half, naturally the Director would have to cut down on his employees. But, this is certainly one agency, if there ever was one, which is overstaffed, and where the Congress can do a job of cutting far beyond the figure that has been presented here.

It is true, it may be necessary to hold together a skeleton organization. There is not a man sitting here that wants to interfere with the defense or the security of our country, but certainly a skeleton organization is all that is needed, and a skeleton organization can be kept with a figure of $4,500,000.

On page 465 of the hearings there is a reference, and this would be amusing if we were not dealing with the money that comes out of the pockets of our people. This relates to travel for the representatives of Selective Service. The Chairman of the subcommittee goes into it at some length and he ends up by saying that, "It goes on and on until you finally make up a total of $50,000 in travel." And, I am quoting the words of the chairman of the subcommittee. He must have had his tongue very deep in his cheek when he recommended $9,000,000 for this item.

Mr. THOMAS of Texas. Mr. Chairman, the speech of the gentleman from New York is by far the best one I have listened to today. I and the rest of the members of the subcommittee regret that we did not have the honor, the pleasure, and the privilege of having our distinguished friend from New York serve on the subcommittee with us, because all the other speeches so far today have been to boost the committee's figures, and here is one that was most refreshing because it was to lower the committee's figures.

This is the situation, Mr. Chairman. This agency wanted $16,700,000, and we cut them to $9,000,000. That is a whale of a cut. Remember, there are 3,022 draft boards in the country to be staffed. The draft is still in effect. The law requires that headquarters must be established and maintained in each State. Since the draft is still in effect, the boys must register upon coming of age. It would be a terrible thing if we were not to supply enough money to keep these draft boards open. We may have to close a few, but I hope not too many. Instead of having a full-time employee plus a part-time employee in many of these offices, we cut out the full-time employee and left the part-time employee. I think it would be a dangerous thing to cut much more. I think we might make a mistake here if we go any lower than we have gone, because we have given them a pretty good cut. I agree with my distinguished friend from New York that we did point out to the gentleman of the selective service that perhaps they were overstaffed in the District of Columbia. Perhaps we did point out to them that they had too much travel money. But bear in mind that we have these 3,022 local draft boards, and we must give them at least a part-time employee.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of Texas. I yield to the gentleman from New York.

Mr. KEATING. May I call the gentleman's recollection back to his questioning about the matter of registration, and his bringing out the fact that there are 3,022 draft boards in the country and that on an average there would be about 30 people a month that would have to register? The gentleman at that time said to General Hershey that comparatively speaking, that is a pretty light work load.

Mr. THOMAS of Texas. I am afraid I cannot argue too strongly with my distinguished friend from New York. All I am asking you to do is not to tear it up completely. Whatever the House thinks, we are not going to fall out with you about it.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of Texas. I yield.

Mr. CASE of South Dakota. It is important that the registration be maintained, because the law requires the boys to register when they become of age. However, it does occur to me that if the amendment offered by the gentleman from New York should be adopted it would not be too hard to live with the situation. This matter will be reviewed in another body. Also, if the Selective Service System finds itself handicapped at the end of the year, we will be in session again in January and a supplemental appropriation might be asked for. So I would join with the gentleman in admitting that the testimony and the logic are with the gentleman from New York, and if his amendment should prevail it would not be too disastrous.

Mr. THOMAS of Texas. The gentleman from New York should have been on our committee to start with, so we will adopt his amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. KEATING].

The question was taken; and on a division (demanded by Mr. KEATING) there were—ayes 82, noes 9.

So the amendment was agreed to.

Mr. DURHAM. Mr. Chairman, I move to strike out the last word.

(Mr. DURHAM asked and was given permission to revise and extend his remarks.)

Mr. DURHAM. Mr. Chairman, I would like to ask one question in regard

to the atomic-energy appropriation this year. I notice there is a reduction of about $38,000,000 in the Budget Bureau's request and the President's request for this agency. In general the program which we had in mind, and we have been studying this operation in the committee ever since last October, was that roughly 64 percent of the recommended budget by the department be for production of weapons. Twenty-six percent was for research and development, and about 6 percent was for biological research and medicine, and 4 percent for operation. I would like to be assured that this reduction in no way affects the program of the production of weapons.

Mr. THOMAS of Texas. Mr. Chairman, we will go one step further and say to the distinguished gentleman from North Carolina that we requested the Commission not to touch their weapons money nor their reactor money. Let me point out to you that those two programs involve about $400,000,000. About 60 percent of that $400,000,000 is for new construction. We should have cut that 15 percent, because the cost of construction is going down. But we did not. So it means that we are increasing those two items by 15 percent, instead of cutting them.

Mr. DURHAM. The gentleman of course is referring to the authorization of construction?

Mr. THOMAS of Texas. That is right.

Mr. DURHAM. That program, as the gentleman well knows, is one that should never be cut.

Mr. THOMAS of Texas. I beg the gentleman's pardon. I am not referring to the authorization. I am referring to the funds in this bill.

Mr. DURHAM. That is, the funds to be appropriated? Is that correct?

Mr. THOMAS of Texas. That is correct.

Mr. DURHAM. I am glad to be assured of that, I congratulate the gentleman.

ATOMIC ENERGY COMMISSION'S BUDGET FOR FISCAL YEAR 1950

Mr. Chairman, I would like to address myself to the Atomic Energy Commission's budget for fiscal year 1950. I might say, at this point, that it is not my intention, nor is it possible from a security standpoint, to reveal any classified information. I will, however, dwell briefly upon the major programs encompassed in the fiscal year 1950 budget as indicated in the AEC's unclassified summary budget.

The Atomic Energy Commission budget as recommended by the President is a request for a cash appropriation of $740,200,000 and contract authorization in the amount of $427,000,000—a total of $1,167,200,000. Stating this total another way, it represents requested obligational authority for fiscal year 1950 of $792,000,000 plus $375,000,000 cash money to liquidate obligations incurred under previously granted contract authority.

Although it is a separate fiscal matter, I would mention also in passing that the President has transmitted a request for a fiscal year 1949 supplemental appropriation for the AEC of $110,000,000. The reason given is that expenditures against obligations incurred under prior year contract authority are proceeding at a rate in excess of that estimated when the original fiscal year 1949 budget was prepared.

The Atomic Energy Commission, which was established by the McMahon Act, is a unique governmental agency in many ways. It has the difficult responsibility of, on the one hand, contributing significantly to the country's national defense, and on the other hand, advancing the United States position in science and human welfare through the development of atomic energy for peacetime applications. This great natural phenomena, only slightly understood at the present, has tremendous possibilities of serving mankind beneficially. For these two general purposes, the work of the Atomic Energy Commission must go forward on all fronts with as much drive and energy as may be recruited. It would seem, in view of its possible rewards to mankind in general, that expenditures in this field should be as great as possible, but such expenditures should be wisely managed and fully accounted for.

In general, the fiscal year 1950 budget has been proportioned into roughly 64 percent or $509,000,000 for the production of source and fissionable material and weapons; 26 percent, or $208,300,000 for research and development—reactor development, physical, medical, and biological research; 6 percent, or $45,400,000, to operate the communities which support the production and research program, and 4 percent, or $29,200,000, for the supporting administrative services.

The Atomic Energy Commission has set for itself five major programs, each of which is under a division director who is responsible to the general manager. These programs have been arrived at after careful consideration of each as a separate entity and also as a completely integrated whole. They represent the best-considered opinions of the Commission as to how its several responsibilities under the act may best be discharged.

1. SOURCE AND FISSIONABLE MATERIAL PROGRAM

This program includes all of the activities concerned with the exploration for acquisition, transportation, and storage of raw materials such as uranium ore. From these raw materials, the program provides for the processing and manufacture of feed materials for the two production plants. Next, the program provides for the production of finished fissionable materials for use in weapons, for reactor fuel, and for experimental needs. Included also is such research and development, and plant construction and operations as may be required to carry out this program.

To carry out the program for source and fissionable material program it is planned to obligate during the fiscal year 1950 $73,000,000 for procurement and production, $13,000,000, for research and development, and $121,000,000 for the necessary plant and equipment. This total program is $75,500,000 more than during fiscal year 1949 and $36,100,000 more than fiscal year 1948.

2. WEAPONS PROGRAM

Included in this program are all activities concerned with the production of weapons, including their nonfissionable components and their associated field service equipment. Also included is the necessary research and development needed to support such production as well as the necessary plants and facilities.

For the weapons program it is proposed to obligate during fiscal year 1950 a total of $210,200,000. This is $19,000,000 more than was obligated during fiscal year 1949, and $63,400,000 more than during fiscal year 1948.

3. REACTOR DEVELOPMENT PROGRAM

This new and independent program which is aimed at solving the many complicated and as yet unknown problems of building reactors for military power requirements as well as for the development of commercial power. It also contemplates the development of other new and improved reactors for research purposes.

During fiscal year 1950 the AEC proposes to obligate, in behalf of the reactor program, $5,500,000 for procurement and production of reactor materials; $40,600,000 for research and development, $74,100,000 for plant construction and equipment. This is roughly twice the money obligated during fiscal year 1949 and two and one-half times that obligated during fiscal year 1948. A major item in this program is the proposed reactor farm, tentatively planned to be built in the Pocatello, Idaho, area. During fiscal year 1950 it is planned to obligate $21,000,000 of the total preliminary estimated cost of $36,769,000 to prepare the site by grading, paving roads, installing utility lines, and so forth. This work is just the initial investment to develop the site. Additional sums to construct the actual reactors, their buildings, and associated equipment over the next 5 to 10 years may reach a total investment approximating $500,000,000.

4. PHYSICAL SCIENCES RESEARCH PROGRAM

This is the program which is designed to push back the frontiers of fundamental knowledge of the atom. Embracing activities in all the physical sciences it is hoped that such a program will increase the store of knowledge so largely expended in the early days of the war. To facilitate these studies there is included provision for such facilities as may be needed.

In carrying out the physical-research program, the Atomic Energy Commission proposes to obligate $1,670,000 for the production of radioactive and stable isotopes. These are the telltale tracers which have contributed so much to research in fundamental processes, and which are made available free of charge or at a nominal sum to qualified researchers and institutions. This is about the same level of obligation as was reached during fiscal years 1949 and 1948. A sum of $35,000,000 will be obligated during fiscal year 1950 for research and development. Two-thirds or $20,800,000 of this is in the field of physics, the balance of $15,000,000 is for chemistry, metallurgy, mathematics and training, and university cooperation—

the training program amounts to $1,584,000. Plant and equipment will amount to $19,000,000.

5. BIOLOGY AND MEDICINE PROGRAM

This program is designed to protect the health of those working with atomic energy and to investigate the manner in which radiation and the toxic effects of fissionable materials affect living tissue and organisms. Since the answer to the latter problem is necessary to set safe working standards the whole program is highly essential and must be prosecuted with great vigor. Included of course are the necessary facilities and materials for this work.

In support of the above five major programs are the necessary community and administrative service programs. These involve the construction, rehabilitation, operation and maintenance of towns and communities at Hanford, Los Alamos, Oak Ridge, and so forth, and the necessary administrative and supervisory functions performed by Atomic Energy Commission personnel.

To operate the communities at Hanford, Oak Ridge, Los Alamos, Sandia, and Grand Junction, Colo., will require the obligation of $45,300,000. This compares with $87,300,000 for fiscal year 1948, and $77,400,000 for fiscal year 1949. The steady reduction in costs of the municipal services might be attributed to progress made in bringing these communities up to date by replacing wartime, temporary houses and buildings with permanent-type structures whose maintenance is much more economical. Also the program to permanentize the utilities, sidewalks, and streets has been largely completed. Another factor which tends to reduce the costs of operating these communities is the increased income received from concessions, and in the future the recently announced policy of the AEC to adjust rental rates to those of surrounding communities.

For providing the necessary supervision and administrative services, the Commission proposes to obligate $29,212,000 over fiscal year 1950. This provides for approximately 4,950 man-years of supervisory and administrativte personnel to guide the operations of some 73,000 contractor employees. Of the foregoing sums, $7,600,000 is for the Washington office; $2,300,000 for the New York office; $1,350,000 for the Chicago office; $8,900,000 for Oak Ridge; $6,600,000 for Los Alamos, and $2,440,000 for Hanford. Personnel strength for each of these offices is: Washington, 955; New York, 471; Chicago, 279; Oak Ridge, 1,606; Los Alamos, 1,211; and Hanford, 409.

Mr. Chairman, I have gone into what seems to be a considerably detailed discussion of this Atomic Energy Commission budget for fiscal year 1950, but as you can readily visualize, it is just a highlight survey. The members of the Joint Committee on Atomic Energy have reviewed this budget and much supplemental information in the light of general program goals. The members have been assured by the Atomic Energy Commission that this budget permits the maximum effort which can be expended within the limitations of the qualified manpower available to it in the research and deevlopment field. It has been further stated that to meet the Presidential directive to produce fissionable materials and weapons, sufficient money, manpower, facilities, and materials have been programed.

I therefore earnestly recommend it for thoughtful consideration and favorable action by the Members of this House.

Mr. THOMAS of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. THOMAS of Texas: On page 62, line 24, after the word "Act", insert a period, strike out the remainder of line 24, line 25, and all of lines 1 and 2 on page 63.

The amendment was agreed to.

(Mr. BENNETT of Florida asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BENNETT of Florida. Mr. Chairman, one of the difficult problems in dealing with readjustment benefits for veterans is the question of flight training. I congratulate the subcommittee on meeting this question by the careful wording used at page 57 of the bill. I approve the language used, which recognizes the special status of this training inasmuch as there are some defense aspects to it. These aspects flow from the training being useful in case of war and from the maintenance of training facilities such as airports, as well as from other things. Yet, the language protects against the funds being used for purely recreational purposes; and I think this protection is needed, as long as it is clear that other more greatly needed expenditures for defense and for other veterans' benefits—such as hospital beds—are not being adequately met for fiscal reasons. I congratulate the subcommittee again on its handling of this difficult problem of statutory wording.

(Mr. KEATING asked and was given permission to revise and extend his remarks.)

(Mr. BRYSON asked and was given permission to revise and extend his remarks at this point in the RECORD.)

Mr. BRYSON. Mr. Chairman, when the announcement came that the veterans' hospital construction program had been cut many of us were shocked. In my home city, which is in the heart of a veterans' center, a 200-bed general hospital had been authorized, the land purchased and paid for at a cost of approximately a quarter of a million dollars, plans had been completed and bids were about to be asked for the erection of the building.

Following the announcement the citizens of my district, and also of my State, rose as a body in protest. Later the Governor with our entire congressional delegation, representatives of all veterans' associations, and other leading citizens, appeared before the special Senate committee headed by Senator PEPPER, of Florida, in an effort to have the cut-back of veterans' hospitals rescinded. Thereafter, I have been in constant touch with members of the Subcommittee on Appropriations headed by my distinguished colleague the gentleman from Texas [Mr. THOMAS]. And I am delighted that today we are afforded an opportunity to reaffirm our former acts by affirmatively expressing the desire of Congress to adequately provide for veterans who need hospitalization. I compliment the members of the subcommittee and I trust before the end of the day I may be permitted to compliment the entire House as the result of its action upon that portion of H. R. 4177 providing funds for the hospital program.

Two questions are involved in this controversy: First, is there a need for these additional veteran hospital beds? Second, can such additional hospitals be staffed? I propose to answer the two questions in the affirmative.

Mr. Chairman, this program involves the complete elimination of 24 projects and an alteration downward of 14 others. The facilities for a total of approximately 16,000 hospital beds will thus be eliminated, including 11,000 in the projects completely abandoned and 5,000 in the projects which are scheduled for reduction.

After a study of the available facts and data I am opposed to this cut-back. Neither the interests of the veterans nor the country as a whole will be served if this cancellation of the construction program is allowed to stand. In my own State of South Carolina there is at present only one veterans' hospital in operation. This hospital is located at Columbia and has a standard bed capacity of 606 beds. According to available figures there are 167,000 World War II veterans in the State and an additional 34,000 veterans from other wars, making a total of 201,000 veterans. With the standard bed capacity of this hospital being 606, that makes an average of 332 veterans for each bed. However, the hospital has made use of 94 emergency beds to expand the facilities to a total of 700 beds, 670 of which are currently in use, and the remaining 30 are being held in reserve for emergencies. Even with this use of emegency beds, there is still available an average of only 1 bed per 290 veterans. This figure shows that available facilities are only one-third those of 1945 and the ratio is even lower if the standard figure of 606 beds, which is the maximum available over a long period of time, is used. This situation was to be remedied considerably by the expansion of the hospital at Columbia to a standard operating capacity of 800 beds, an increase of 194 over the present facilities. There was also to be constructed at Greenville a new 200-bed hospital. Both of these projects are among those to be eliminated. Even with the addition of these 394 beds the ratio of veterans to beds in South Carolina would remain at 200 to 1. The national figures, which are considered far too high for the safety of our veterans' health, are in the vicinity of 178 veterans for each bed. It is obvious from these figures that the average in South Carolina would still be above the present national average even with the addition of the 394 beds. That these beds are sorely needed is evidenced by the waiting lists. As of January 31, 1949, there was a total of 964 veterans who had been cleared for admission through the former branch

office at Atlanta, Ga. This office was headquarters for South Carolina and for other Southern States, so the figures as to how many were waiting for admission to the hospital at Columbia are not available. Nevertheless, the number was substantial, probably running into the hundreds. Of these 964 veterans awaiting admission to hospitals, 370 were forced to wait up to 20 days, 191 waited from 21 to 40 days, and 403 were waiting over 40 days. These are appalling figures. Almost two-thirds of these veterans had to wait over 20 days, and almost one-half had to wait over 40 days. As alarming as these figures are, they still do not tell the whole story. Often only veterans with emergency nonservice connected afflictions are being admitted because of the bed shortage, and when the veterans or their representatives learn this fact, they do not even apply for admission. These facts are incontrovertible evidence that more veterans' hospitals are urgently needed in South Carolina.

In explaining the reduction of the hospital program the Veterans' Administration officials stated that, while more hospitals may be needed, there are not enough doctors to staff them. I am not prepared to discuss this aspect of the question as a whole for the country at large, but I am familiar with conditions in South Carolina. In Greenville the hospital under construction was to be of the general medical type. There does not appear to be a great shortage of general medical doctors in this area, at least not a sufficiently great shortage to warrant the cancellation of the project.

An additional reason to continue building the hospital at Greenville is to prevent a large sum of money from being wasted with no benefits accruing to anyone. A total of $303,000 has been spent on the project so far. All of this money will be lost if the project is not finished. I am not one who believes in throwing good money after bad, but that analogy will not hold in this instance. This hospital is badly needed, and it is needed now. We owe it to the veterans on the waiting lists to see that it is completed. Nothing that Veterans' Administration officials say can change the following facts: First, that although the number of veterans has jumped from 66,000 to 201,000, the number of authorized hospital beds is being maintained at 606; the fact that 94 more beds have been temporarily made available by the use of porches and corridors is no argument at all, since the standard figure is still 606. Second, that hundreds of veterans are awaiting admission and the average number of beds available in this area is far below the national average, which is itself too low. Third, that plans have been laid, hundreds of thousands of dollars spent, and that facilities and personnel are available to run this hospital upon its completion. Any arguments against the completion of this hospital seem spurious if we are sincere in the belief that our veterans must be protected.

Now let us examine the national picture concerning this cut-back. I do not pretend to have as much knowledge about the national situation as about my home State. However, many of the general facts have been made available to me, and it is not difficult to draw conclusions.

It was the Veterans' Administration which originally recommended the construction of the hospital facilities which have now been ordered canceled. Before the cancellation, this recommendation had been approved by the Federal Board of Hospitalization, the Director of the Bureau of the Budget, and the President of the United States. The cancellation order affects construction in 18 States and the District of Columbia. While it is evident that certain sections of the country need additional hospitals more than others, available figures show that more hospitals are needed everywhere. On January 31 of this year there were 16,188 veterans who had had their applications approved and were awaiting hospitalization. The number who did not apply because of the long waiting lists is naturally not known, but such number is undoubtedly huge. From a moral standpoint, this is a sad state of affairs, but from the practical viewpoint, it seems even more foolish. Failure to hospitalize veterans promptly will in many cases result in aggravation of injuries, not to mention the suffering, and these injuries may some day result in added claims against the Government. If this program of reduction is being promoted in the interest of economy, its authors had better think twice. In the long run it will cost the Government far more than the cost of completing the hospitals.

The national ratio of hospital beds per veteran is today 1 to 178. That figure is supposed to drop to 142 when the construction now under way is completed, but it would drop to 124 if the canceled projects are restored. In 1940, less than 10 years ago, the Federal Board of Hospitalization approved, and the President approved in principle, a construction program which would have made a ratio of 1 bed per 40 veterans available within 10 years. Any figure which is three times as high seems entirely out of reatimes that amount seems high. Any figure more than three times as high seems entirely out of reason if the interests and the welfare of the veterans are to be protected.

As I previously stated, I am not entirely familiar with all of the special problems concerning the veterans' hospitals in other sections of the country, but every section has a problem of some type. In certain sections of the far West hospitals are so far apart as to be almost inaccessible. In my own section of the country there is such a scarcity of available beds that veterans in direst need must often wait long periods of time before being admitted. Just when a partial solution to these problems was in sight, the solution suddenly vanished. We must not allow this to happen. In spite of the argument advanced that doctors are not available to staff these proposed hospitals, several of the cities in question have submitted evidence that the medical talent is available.

In view of these facts and figures, I am of the firm opinion that the cancellation of the hospital program must not be allowed to stand. In the case of my own State a particular hardship will be visited upon the veterans, who have, and will continue to have, facilities so far below the national average that the situation is almost disgraceful. I sincerely believe that a restoration of the program for 16,000 additional beds is desirable and necessary for the veterans and that the whole country will be benefited by this program.

(Mr. MILLER of California asked and was given permission to extend his remarks at this point in the RECORD.)

[Mr. MILLER of California addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. JONES of North Carolina. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I commend the Committee for restoring the appropriation of $237,000,000 for hospital construction. I sat on the Committee on Veterans' Affairs and heard General Bradley talk about this matter. He said that all the beds were necessary, 16,000 of them, so if they were necessary then, they should be necessary now. With reference to the 500-bed general medical hospital to be built in my city of Charlotte, I know that there will be no trouble in staffing the hospital. The medical society will see to that. We had some experience there about 2 years ago with a 500-bed civilian hospital, and we staffed the hospital in about 2 months.

The veterans and Nation should be grateful to the Committee for eliminating the proposed rescission of $237,000,000 of contractual authorization from the bill so that should the President decide that all or any part of the proposed hospital program which the budget had eliminated is necessary, the authorization to proceed with the work will be available.

The program when completed will mean a new day for the many veterans needing hospitalization and medical treatment.

Mr. STEFAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, at the request of numerous Members of the House, I want to interrogate the chairman in connection with the item on page 57 which has to do with flight training.

The gentleman will recall that I offered an amendment last year, which was adopted, which would continue flight training. That amendment remains in the bill at this time. I have been receiving many complaints from trainees and GI's who have have been refused flight training under this act. We are told that over 12,000 who have made application for flight training have been refused that training. I would like to know what occurred in committee when you interrogated the Veteran's Administration in connection with the amendment that we have in this bill, whether or not flight training is continuing, whether or not it is true that these veterans who are applying for flight training are being refused that advantage.

Mr. THOMAS of Texas. In the first place, as the House well knows, the language on page 57 in the form of a limi-

tation, is more or less the amendment adopted by the House under the direction of the gentleman from Nebraska [Mr. STEFAN]. I might say that the committee has not changed the crossing of a single "t" or the dotting of an "i" as it was written last year. I might further say, if the gentleman is having some complaints from his own district, the committee will be glad to ask the Administrator of Veterans' Affairs to look into the situation and see that this bill is enforced as the House wrote it.

Mr. STEFAN. I thank the gentleman.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. PHILLIPS of California. I thought perhaps I could shorten some of the discussion by calling attention to the fact that on February 28, a total of 46,686 had been approved, of which 19,044 had been approved for flight training, and only 2,053 had actually been refused. The difficulty found in the district represented by the gentleman from Massachusetts [Mr. HESELTON] or the gentleman from Nebraska [Mr. STEFAN] probably rests in the total of approximately 12,000 applications concerning which there has been some question, and the applicants have been advised to get further information regarding what they wanted to do. The attitude of the committee is that the Veterans' Bureau should deal with those matters as the subcommittee has directed. We have had word from representatives of schools where conditions are working out satisfactorily. I would supplement what our chairman has said by suggesting to the Members, if there is some specific case that they take that up individually with the Veterans' Administration.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. HESELTON. In connection with what the gentleman from California [Mr. PHILLIPS] has said, I want the record clear. When the question was asked of Mr. Stirling at page 361, part II of the hearings:

> Does that indicate that the veterans are getting all the training they want?

Mr. Stirling replied:

> Mr. Phillips, I think the chairman asked me yesterday if this new amendment to the appropriation bill last year was working, and I answered, "Yes, sir; it is."

As a matter of fact, I am informed that there are pending in the Boston region many cases classified as "deferred," and I am informed further by a letter of a gentleman who talked with the regional office that the Boston regional office has ruled that being an Air Force officer is not an authorized career for veterans. That is the source of my concern. I am glad to hear the committee say they do not agree with that sort of interpretation of this regulation.

I have with me the files on two recent cases. It seems to me most significant that in both cases the Veterans' Administration should write:

> An elementary flight or private pilot course or a commercial pilot course elected by a veteran in an approved school shall not be considered avocational or recreational if the veteran submits to the regional office (1) complete justification that such a course is in connection with his present or contemplated business or occupation.

Let me emphasize the requirement of "complete justification." Of course that regulation is the source of this difficulty. On August 3 and 4, 1948 the problem was carefully explored in hearings before the Committee on Veterans' Affairs. At that hearing, the gentleman from Nebraska [Mr. STEFAN] and the gentleman from Connecticut [Mr. MILLER], who were the coauthors of the amendment, expressed themselves most ably. There was a considerable account of the discussion on the Floor when the amendment was adopted. Both General Gray and Mr. Stirling testified at some length. Other Members of this House added their testimony. While all of the testimony was most significant in terms of the clarification of Congressional intention, some of it is particularly significant.

I want to refer to certain portions. Mr. Stirling, at page 94 of the hearings, stated that he would assume responsibility for the language of the regulation and added:

> Well, of course I have to concede, Congressman, there is nothing in the law that says anything about "complete justification."

Previously, at page 82, Mr. Stirling said:

> I do not recognize at all that the purpose of Congress was to cut out flight training. I understand it was the purpose of Congress that if any boy wished to take flight training in connection with his business or contemplated business that he would receive it.

At page 98, Mr. Stirling testified:

> Congressman TEAGUE, before you came in, that question was asked of me by Mr. Ross; he asked me whether I had read the CONGRESSIONAL RECORD before we prepared this instruction, and I said, "Yes." Then he came to the question whether I took into consideration the attitude of the Congress on the floor during the consideration of this bill, and I said I surely did; that I understood the intent of the Congress was to eliminate any course or any training where the veteran would be pursuing for purely avocational or recreational purposes, but that Congress did not intend to eliminate flight training as such, but wanted the veterans to have flight training whenever it was determined that the boy was taking it for purposes that were vocational, but if it were for avocational or recreational purposes that the Congress did not wish the veterans to receive such training under this bill.

The gentleman from Texas [Mr. TEAGUE] replied:

> Mr. Stirling, I think that is as fair and square as anything on earth and I think if you could get that statement you have just made here over to the minds of the regional directors this week end, the whole thing would be cleared up.

Mr. Stirling then added:

> That is what we propose to do.

Many Members stressed the apparent rigidity which would defeat the intention of Congress by emphasizing the requirement of complete justification. I urged upon General Gray the substitution of the adjective "satisfactory" and others suggested similar and more reasonable standards which would comply with the congressional intention as expressed in the amendment adopted.

I happen to know of one instance where a veteran had been able to pass the education and mechanical aptitude tests for entrance into the Air Force cadet program with especially high marks, and yet was unsuccessful in obtaining this flight training. He told me that he had submitted his reasons for intending and believing that he could secure employment in this field, but, because he recognized that unanticipated events could happen during his period of training, he was not willing to make more definite statements, because he did not feel he could do that truthfully. He assured me that he would make every effort to reach his objective, and I am confident from his record and endorsements by employees and former associates that he would have done that. Yet he was turned down.

I want to add just a further brief comment on the general situation as it has been reported to me. I have been advised that many of these veterans have been forced to submit incontrovertible evidence that their selection of aviation as a career is not a great big joke; and to prove that they are not fooling by submission of a letter from the individual or firm who guarantees to employ them immediately upon the completion of the training for which they apply. Any such requirement would be an obvious distortion not only of the amendment but even of the regulation drafted to carry out the purposes of the amendment. In this connection, I have been advised that the Air Force circulated some 300,000 copies of a 20-page booklet entitled "Opportunity on Wings." Accompanying these booklets were brochures, Form P–X–121–RPB, entitled "Here's Your Opportunity for a Real Career in Aviation." It was urged that veterans take advantage of their GI flight training, enroll as aviation cadets, and win their commissions as pilots in the United States Air Force. It is impossible for me to reconcile this sort of an appeal in the interests of our national defense with any ruling by any regional office that being an Air Force officer is not an authorized career for veterans. Yet I am advised that such a ruling was made in the Boston office on March 14. While I appreciate the suggestion that individual cases might be taken up with the Veterans' Administration and the further suggestion that the committee would be glad to ask the Administrator to look into the situation and see that the bill is enforced as the House wrote it, I am also concerned about those cases which may not be brought to the attention of Members where real injustices may have been done because of the rigid interpretation of words in a regulation which itself seems to continue to violate the very purpose of the amendment adopted last year. I shall welcome the opportunity to discuss this matter with members of the committee more fully. But I do feel the record should be established in terms of Mr. Stirling's apparent conviction that the amendment is working.

If he intended that reply to be a direct response to the question of the gentlemhn from California [Mr. PHILLIPS] as to whether the veterans were getting all the training they want, I think it is clear from what the gentleman from Nebraska [Mr. STEFAN] has said as well as from the comments of both the chairman of the subcommittee and the gentleman from California [Mr. PHILLIPS] that there are a very substantial number of cases which deserve immediate reconsideration on the part of the Veterans' Administration.

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. STEFAN] has expired.

Mr. THOMAS of Texas. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 4177, the independent offices appropriation bill for 1950, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McBride, its assistant enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 1579. An act to amend the Printing Act of January 12, 1895, as amended, with respect to the printing of extra copies of congressional hearings and other documents.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1209) entitled "An act to amend the Economic Cooperation Act of 1948."

ADJOURNMENT FROM APRIL 14 TO APRIL 25

Mr. McCORMACK. Mr. Speaker, I offer a privileged resolution (H. Con. Res. 56) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That when the House adjourns on Thursday, April 14, 1949, it stand adjourned until 12 o'clock meridian Monday, April 25, 1949.

The resolution was agreed to.

A motion to reconsider was laid on the table.

INDEPENDENT OFFICES APPROPRIATION BILL, 1950

Mr. THOMAS of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1950, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4147, the independent offices appropriation bill for the fiscal year 1950, with Mr. WALTER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The gentleman from Mississippi [Mr. RANKIN] is recognized for 4 minutes.

Mr. RANKIN. Mr. Chairman, a great deal has been said today about the order stopping the construction of veterans' hospitals. As chairman of the Committee on Veterans' Affairs I expect to take up that proposition at an early date, investigate it, and see what can be done. As I understand it, you provide here the funds necessary to construct those hospitals.

I heard what the gentleman from Pennsylvania [Mr. FENTON] said, and I heard the argument of the other gentlemen. If the present pension law stays as it is today, you are going to see these hospitals crowded with old veterans, because a great many of the hospitals are what we call soldiers' homes.

Two of these hospitals that were eliminated by the recent order were to be in my State, and one of them was at Tupelo, my home town. They have already purchased the ground and were ready to let the contract for its construction when somebody stopped the program.

That hospital should be built, because it is necessary to take care of the veterans in that part of Mississippi, Alabama, and Tennessee.

They had another one scheduled for construction at Mound Bayou. You never hear any one on this floor saying anything for the Negroes in this country unless it is for political purposes; but you are hearing now one man who is not talking for political purposes. We had provided for the construction of this Negro veterans' hospital at Mound Bayou, Miss. There is not a white person living in Mound Bayou.

The land on which the town was built was given to those Negroes by the brother of Jefferson Davis, Joe Davis. They have their own doctors, they have their own policemen, they have their own officials, and there is one Negro doctor there who has a clinic which is getting along fairly well.

We have seen this experiment carried out at Tuskegee, Ala. I know what I am talking about. The Negroes in the hospital at Tuskegee, Ala., all get along better than they do where they have been crowded into white hospitals in either the Northern or the Southern States.

The building of this Negro hospital at Mound Bayou would be a great advantage to the Negroes of that section of the country. It would enable them to show what they can do for each other, and at the same time it would add greatly to the peaceful relations that now exist throughout that part of the country between the whites and the Negroes.

I am going to insist that these two hospitals be included, and that all the others be included wherever they are necessary to take care of the veterans' load.

I felt that I ought to make this statement today, since some of the Members have been asking why the Veterans' Committee have not acted. When this appropriation is passed, then the Veterans' Committee will be in position to take the proposition up and find out why these hospitals are not constructed immediately.

Mr. KRUSE. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Indiana.

Mr. KRUSE. Will the gentleman tell the members of the committee whether or not the Veterans' Affairs Committee has given consideration to the further use of existing facilities in the State of Indiana? We have Billings Hospital out there, in which the facilities are not being used to their full capacity.

Mr. RANKIN. We had that question up recently. All the facilities in that hospital ought to be made available.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. WADSWORTH. May I ask the gentleman if he or members of his committee have had an opportunity to read the report of the task force of the Hoover Commission in discussing the medical activities of the Federal Government?

Mr. RANKIN. No; I have not gone over it thoroughly.

Mr. WADSWORTH. It is well worth reading.

Mr. RANKIN. I have looked over it hurriedly, but not carefully. However, I will examine it carefully as soon as I can find the time to do so.

The CHAIRMAN. The Chair recognizes the gentlewoman from Massachusetts [Mrs. ROGERS].

(Mrs. ROGERS of Massachusetts asked and was given permission to revise and extend her remarks.)

Mrs. ROGERS of Massachusetts. Mr. Chairman, I do not rise to speak about the curtailment of the hospitals but to say that I believe the Budget put something over on the committee when it induced that committee not to allow the $48,000,000 which General Gray asked for in order to provide an additional medical personnel of from 15,000 to 16,000 which he needs not only for the hospitals that will be finished within a few months but in the hospitals that are now in existence. You can have all the buildings in the world, but if you do not have trained personnel you cannot take care of your patients. In the hiring and firing of people like nurses, doctors, and dentists you may lose fine people. You may not be able to hire the trained personnel back again. The civilian hospitals will get them, other people will get them, and our veterans will not have the care they should have.

I desire to read some figures I secured from the Veterans' Administration showing what is being done. I am positive the Senate will put the $48,000,000 needed for hospital personnel in their bill, but I had hoped that the House would first.

In 1948 the Veterans' Administration spent for its 8,000 program, which is for medical, hospital, and domiciliary care, a total of $536,651,333. In 1949 the Vet-

erans' Administration estimates that it will spend for the same program $560,245,200, while in 1950 the Subcommittee on Independent Offices of the Appropriations Committee has recommended a total of $539,707,200 for the same purpose, which is in effect a cut. I think the budget was not frank in explaining to the Subcommittee on Appropriations what the Veterans' Administration really had in mind.

I would like to suggest to the members of the committee, Mr. Chairman, that they try to insist that a doctor be placed upon the budget committee that considers veterans' appropriations.

In 1948 for the operation of hospitals alone, the Veterans' Administration spent $373,045,027. In 1949 the Veterans' Administration estimates that it will spend for this purpose $403,731,000, while it has been allowed in 1950 for this same purpose a total of $401,465,900, which proves to my mind that the budget is planning for a cut in hospital beds in 1950, because it does not give us as much as we had in 1949 for medical personnel.

I am informed that the Veterans' Administration will operate during 1949 an average of 113,177 beds. In 1950 the Veterans' Administration expects to add, by the completion of construction, 9,937 beds during the year to its system. It is expected to operate its present beds plus the new beds being added on a total personnel allowance of 110,356.

I am informed that on March 31, 1949, the Veterans' Administration had on duty or had committed for the operation of its medical program 117,030 personnel, or an excess of 6,674 over the number allowed in the 1950 budget.

If the budget recommended by the Committee on Appropriations is passed, the Veterans' Administration will be required to reduce the personnel now on duty for the operation of its medical program by this number not later than July 1, 1949, in order to be within the limits allowed by the budget, and there will be no provision for the operation of the additional beds which are scheduled to come in in 1950.

General Gray testified before the subcommittee on independent offices that 15,549 additional employees, at a total cost of $48,000,000, were necessary over and above the budget as reported out of the committee, in order to maintain the staff now on duty in hospitals and homes and properly staff the additional beds being added in 1950—see page 215. This additional amount would also permit the opening of beds now closed because of lack of personnel. It is my understanding that 3,484 beds are now unavailable for this reason.

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. JONES of Missouri. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Chairman, in connection with the consideration of H. R. 4177, which includes the appropriation for the veterans' hospitals, I would like to take exception to a statement attributed to Dr. Magnuson, of the Veterans' Administration, which appeared in an Associated Press release appearing in the Daily American Republic, of Poplar Bluff, Mo., under date of Tuesday, April 12, 1949.

The press dispatch under a Washington date line, together with the comment of the editor of the Daily American Republic, reads as follows:

SO WE ARE ISOLATED—VA MEDIC FAVORS MOVING HOSPITAL—SAYS IT IS NOT GIVING SERVICE

WASHINGTON, April 12.—The chief medical director of the Veterans' Administration has told the House Appropriations Committee he should like to see veterans' hospitals moved from isolated locations.

Dr. P. B. Magnuson, the director, suggested that the Excelsior Springs, Mo., hospital be moved to Kansas City and the Poplar Bluff, Mo., hospital to Springfield, Mo.

He listed the Excelsior Springs and Poplar Bluff hospitals among 18 where the veterans are not getting the kind of service we want to give them.

Poplar Bluffians, stunned by the VA hospital official's assertion the city is isolated, marveled today at his deduction that the new hospital here is not giving the kind of service the VA wants to give veterans.

Some local citizens expressed the belief that when the hospital is finished and placed in use, it may be able to give better service than now—when it is only about two-thirds completed.

While I recognize that the recommendation of Dr. Magnuson as reported on page 179 of part 2 of the complete hearings before the subcommittee is not reflected in the official recommendation of the Veterans' Administration, I do take exception to the expression of the Chief Medical Director when he infers that "the veterans are not getting the kind of service we want to give them" at the new veterans' hospital which is now under construction at Poplar Bluff, Mo., and which will in all probability not be opened until the latter part of this year or early in 1950, and I further suggest that he appears to be misinformed when he suggests that Poplar Bluff provides an "isolated location" for a veterans' hospital which will serve an area with a total population of approximately 1,000,000 people.

At this time I would like to commend the committee for its action in providing the funds which will make possible the continuation of, although on a reduced scale, of the program which is so urgently needed by the veterans of all wars. I would also like to commend and express my appreciation, as well as that of the thousands of veterans in southeast Missouri who will enjoy the benefits of this new hospital, to those who were responsible for and who had the vision to locate this hospital in southeast Missouri where its location will be more than justified throughout the next few years.

Mr. THOMAS of Texas. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. THOMAS of Texas. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. THOMAS of Texas. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to revise and extend their remarks on the bill just passed and further that the clerks be granted permission to correct section numbers in the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

THE UNEMPLOYMENT SITUATION

Mr. COX. Mr. Speaker, there are almost 3,500,000 unemployed in our land today. There were almost 2,000,000 unemployed last November. The number of unemployed has increased progressively since December of last year. It continues to increase. The trend is obvious. It is not my purpose today to discuss this rising tide of unemployment. I may do so later. Today my purpose is quite different.

Mr. Speaker, one of the Federal agencies created for the relief or prevention of unemployment is the United States Employment Service. That agency is supported exclusively from funds appropriated by Congress—that means from the taxes that we impose upon all our people, not any special group of our people, but upon all our people. There is,

81ST CONGRESS
1ST SESSION

H. R. 4177

IN THE SENATE OF THE UNITED STATES

APRIL 18 (legislative day, APRIL 11), 1949

Read twice and referred to the Committee on Appropriations

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Executive Office and sundry independent executive bureaus, boards,

commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, namely:

TITLE I

EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of $50,000 per annum, as authorized by the Act of January 19, 1949 (Public Law 2), $150,000.

THE WHITE HOUSE OFFICE

Salaries and expenses: For expenses necessary for The White House Office, including compensation of the Secretary to the President and the six administrative assistants to the President as authorized by law, and the two additional secretaries to the President at $10,330 each, and other personal services in the District of Columbia; printing and binding; not to exceed $127,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at such per diem rates for individuals as the President may specify, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service; and travel and official entertainment expenses of the President, to be accounted for solely on his certificate; $1,375,140.

EMERGENCY FUND FOR THE PRESIDENT

To provide for emergencies affecting the national interest or security, without regard to such provisions of law regulating the expenditure of Government funds as the President may specify, and for supplementing the efforts and available resources of State and local governments or other agencies in alleviating hardship or suffering caused by flood, fire, hurricane, earthquake, or other catastrophe in any part of the United States, $1,000,000: *Provided*, That assistance in alleviating hardship or suffering caused by such a catastrophe may be rendered through such agency or agencies as the President may designate and in such manner as he shall determine, without regard to such provisions of law regulating the expenditure of Government funds or the employment of persons in the Government service as he shall specify, whenever he finds that such a catastrophe is of sufficient severity and magnitude to warrant emergency assistance by the Federal Government in alleviating hardship or suffering caused thereby, and if the Governor of any State in which such a catastrophe shall occur shall certify that such assistance is required, and shall have entered into an agreement with such agency of the Government as the President may designate, giving assurance of expenditure of a reasonable amount of the funds of the gov-

ernment of such State, local governments therein, or other agencies, for the same or similar purposes with respect to such catastrophe: *Provided further,* That within any affected area Federal agencies are authorized to participate in any such emergency assistance: *Provided further,* That no part of this appropriation which may be allocated for alleviating hardship or suffering caused by a catastrophe shall be expended for departmental personal services or for permanent construction: *And provided further,* That no part of this appropriation shall be available for allocation to finance a function or project for which function or project a budget estimate of appropriation was transmitted pursuant to law during the Eighty-first Congress and such appropriation denied after consideration thereof by the Senate or House of Representatives or by the Committee on Appropriations of either body.

EXECUTIVE MANSION AND GROUNDS

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Mansion and the Executive Mansion grounds, and traveling expenses, to be expended as the President may determine, notwithstanding the provisions of any other Act, $260,400.

BUREAU OF THE BUDGET

Salaries and expenses: For expenses necessary for the Bureau of the Budget, personal services in the District of Columbia and elsewhere, including the salary of the Director at $12,000 per annum so long as the position is held by the present incumbent; exchange of books; newspapers and periodicals (not exceeding $200); teletype news service (not exceeding $900); printing and binding; not to exceed $30,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed $50 per diem for individuals; a health-service program as authorized by law (5 U. S. C. 150); and the payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); $2,983,050.

No part of the appropriations herein made to the Bureau of the Budget shall be used for the maintenance or establishment of more than four regional, field, or any other offices outside the District of Columbia.

COUNCIL OF ECONOMIC ADVISERS

Salaries and expenses: For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U. S. C. 1021), including personal services in the District of Columbia; travel expenses; purchase of one

passenger motor vehicle for replacement only; printing and binding; newspapers and periodicals (not exceeding $200); press clippings (not exceeding $300); a health-service program as authorized by law (5 U. S. C. 150); and payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); $300,000.

OFFICE FOR EMERGENCY MANAGEMENT

PHILIPPINE ALIEN PROPERTY ADMINISTRATION

Administrative expenses, Philippine Alien Property Administration: The Philippine Alien Property Administrator is hereby authorized to pay out of any funds or other property or interest vested in him or transferred to him, necessary expenses incurred in carrying out the powers and duties conferred on him pursuant to the Trading With the Enemy Act, as amended (50 U. S. C. App.), and the Philippine Property Act of 1946 (60 Stat. 418): *Provided,* That not to exceed $250,000 shall be available for the current fiscal year for the general administrative expenses of the Philippine Alien Property Administration, including the salary of the Administrator at $10,330 per annum; printing and binding; rent of private or Government-owned space in the District of Columbia; employment outside the United States of persons without regard to the civil service and classification laws including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); personal

services in the District of Columbia and expenses of attendance at meetings of organizations concerned with the work of the agency: *Provided further,* That on or before November 1 of the current fiscal year the Philippine Alien Property Administrator shall make a report to the Appropriations Committees of the Senate and the House of Representatives giving detailed information on all administrative and non-administrative expenses incurred during the next preceding fiscal year, in connection with the activities of the Philippine Alien Property Administration.

INDEPENDENT OFFICES

AMERICAN BATTLE MONUMENTS COMMISSION

Salaries and expenses: For necessary expenses, as authorized by the Act of June 26, 1946 (36 U. S. C. 121, 123–132, 138), including the acquisition of land or interest in land in foreign countries; personal services in the District of Columbia; purchase and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its Territories and possessions at a cost not exceeding $600; travel expenses; rent of office and garage space in foreign countries; the purchase of one passenger motor vehicle; printing, binding, engraving, lithographing, photographing, and typewriting; $644,300: *Provided,* That where station allowance has been authorized by the Department of the Army for officers of the Army serving the Army at cer-

tain foreign stations, the same allowance shall be authorized for officers of the armed forces assigned to the Commission while serving at the same foreign stations, and this appropriation is hereby made available for the payment of such allowance: *Provided further*, That when traveling on business of the Commission, officers of the armed forces serving as members or as secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission.

Construction of memorials and cemeteries: For the permanent design and construction of memorials and cemeteries in foreign countries as authorized by the Act of June 26, 1946 (36 U. S. C. 121, 123–132, 138), and the Act of August 5, 1947 (Public Law 368), $5,276,500, of which $1,276,500 is for payment of obligations incurred under authority provided under this head in the Independent Offices Appropriation Act, 1949, to remain available until expended; and in addition the Commission is authorized to enter into contracts in the amount of $5,000,000 for the purposes of this appropriation.

ATOMIC ENERGY COMMISSION

For expenses necessary to carry out the purposes of the Atomic Energy Act of 1946, including personal services in the District of Columbia and employment of aliens; purchase of land and interests in land; services as authorized by section

15 of the Act of August 2, 1946 (5 U. S. C. 55a) ; purchase of passenger motor vehicles for replacement only; purchase, maintenance, and operation of aircraft; printing and binding; health-service program as authorized by law (5 U. S. C. 150) ; publication and dissemination of atomic information; payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672) ; purchase, repair, and cleaning of uniforms; purchase of newspapers and periodicals (not to exceed $8,000) and travel expenses; official entertainment expenses (not to exceed $5,000) ; and payment of obligations incurred under prior year contract authorizations; $702,930,769, together with the unobligated balances of prior year appropriations to the Atomic Energy Commission, of which amounts $100,000 may be expended for objects of a confidential nature and in any such case the certificate of the Commission as to the amount of the expenditure and that it is deemed inadvisable to specify the nature thereof shall be deemed a sufficient voucher for the sum therein expressed to have been expended; from which appropriation transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred; and in addition to the amount herein provided, the Commission is authorized to contract for the

purposes of this appropriation during the current fiscal year in an amount not exceeding $387,189,628: *Provided,* That no part of this appropriation shall be used to pay the salary of any officer or employee (except such officers and employees whose compensation is fixed by law, and scientific and technical personnel) whose position would be subject to the Classification Act of 1923, as amended, if such Act were applicable to such position, at a rate in excess of the rate payable under such Act for positions of equivalent difficulty or responsibility.

CIVIL SERVICE COMMISSION

Salaries and expenses: For necessary expenses, personal services in the District of Columbia, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents; not to exceed $25,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); not to exceed $10,000 for medical examinations performed for veterans by private physicians on a fee basis; travel expenses of examiners acting under the direction of the Commission, and expenses of examinations and investigations held in Washington and elsewhere; not to exceed $500 for payment in advance for library membership in societies whose publications are available to members only or to members at a price lower than to the general public; purchase of three

passenger motor vehicles; printing and binding; not to exceed $40,000 for performing the duties imposed upon the Commission by the Act of July 19, 1940 (54 Stat. 767); a health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and not to exceed $5,000 for actuarial services by contract, without regard to section 3709, Revised Statutes, as amended; $14,000,000: *Provided*, That no details from any executive department or independent establishment in the District of Columbia or elsewhere to the Commission's central office in Washington or to any of its regional offices shall be made during the current fiscal year, but this shall not affect the making of details for service as members of the boards of examiners outside the immediate offices of the Commission in Washington or of the regional directors, nor shall it affect the making of details of persons qualified to serve as expert examiners on special subjects: *Provided further*, That the Civil Service Commission shall have power in case of emergency to transfer or detail any of its employees to or from its office or field force: *Provided further*, That members of the Loyalty Review Board in Washington and of the regional loyalty boards in the field may be paid actual transportation expenses, and not to exceed $10 per diem in lieu of subsistence while traveling on official business

away from their homes or regular places of business, and while en route to and from and at the place where their services are to be performed: *Provided further,* That nothing in section 281 or 283 of title 18, United States Code, or in section 190 of the Revised Statutes (5 U. S. C. 99) shall be deemed to apply to any person because of his appointment for part-time or intermittent service as a member of the Loyalty Review Board or a regional loyalty board in the Civil Service Commission.

No part of the appropriations herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, established pursuant to Executive Order Numbered 9358 of July 1, 1943.

No part of appropriations herein shall be used to pay the compensation of officers and employees of the Civil Service Commission who allocate or reallocate supervisory positions in the classified civil service solely on the size of the group, section, bureau, or other organization unit, or on the number of subordinates supervised. References to size of the group, section, bureau, or other organization unit or the number of subordinates supervised may be given effect only to the extent warranted by the work load of such organization unit and then only in combination with other

factors, such as the kind, difficulty, and complexity of work supervised, the degree and scope of responsibility delegated to the supervisor, and the kind, degree, and value of the supervision actually exercised.

PANAMA CANAL CONSTRUCTION ANNUITY FUND

For payment of annuities authorized by the Act of May 29, 1944, as amended (48 U. S. C. 1373a), $5,304,870, to be available immediately.

CIVIL-SERVICE RETIREMENT AND DISABILITY FUND

For financing the liability of the United States, created by the Act approved May 22, 1920, and Acts amendatory thereof (5 U. S. C. chap. 14), $295,553,700, which amount shall be placed to the credit of the "civil-service retirement and disability fund".

CANAL ZONE RETIREMENT AND DISABILITY FUND

For financing the liability of the United States, created by the Act approved March 2, 1931, and Acts amendatory thereof (48 U. S. C. 1371n), $899,100, which amount shall be placed to the credit of the "Canal Zone retirement and disability fund".

ALASKA RAILROAD RETIREMENT AND DISABILITY FUND

For financing the liability of the United States created by the Act approved June 29, 1936 (5 U. S. C. 745), $193,500, which amount shall be placed to the credit of the "Alaska Railroad retirement and disability fund".

DISPLACED PERSONS COMMISSION

Displaced Persons Commission: For expenses necessary to carry out the provisions of the Displaced Persons Act of 1948 (Public Law 774, approved June 25, 1948), including personal services and rents in the District of Columbia; travel expenses without regard to the Standardized Government Travel Regulations, as amended, and the rates of per diem allowances under the subsistence Expense Act of 1926, as amended; hire of passenger motor vehicles; printing and binding, including printing and binding outside the continental limits of the United States without regard to section 11 of the Act of March 1, 1919 (44 U. S. C. 111); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); health service program as authorized by law (5 U. S. C. 150); employment of aliens; payment of rent in foreign countries in advance; and purchases and services abroad without regard to section 3709 of the Revised Statutes; $4,210,000: *Provided,* That allocations may be made from this appropriation by the Commission upon approval by the Director of the Bureau of the Budget to any department, agency, corporation, or independent establishment of the Government for direct expenditure for the purposes of this appropriation, and

any such expenditures may be made under the specific authority herein contained or under the authority governing the activities of the department, agency, corporation, or independent establishment to which amounts are allocated: *Provided further*, That the Commission may enter into agreements with governmental and private agencies and may make payment in advance or by reimbursement for expenses incurred by such agencies in rendering assistance to the Commission in carrying out the purposes of this Act.

FEDERAL COMMUNICATIONS COMMISSION

Salaries and expenses: For necessary expenses in performing the duties imposed by the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1064), the Ship Act of 1910, approved June 24, 1910, as amended (46 U. S. C. 484–487), the International Radiotelegraphic Convention (45 Stat., pt. 2, p. 2760), Executive Order 3513, dated July 9, 1921, as amended under date of June 30, 1934, relating to applications for submarine cable licenses, and the radiotelegraphy provisions of the Convention for Promoting Safety of Life at Sea, ratified by the President July 7, 1936, personal services in the District of Columbia, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents, contract stenographic reporting services, special counsel fees, health service program as authorized by law (5 U. S. C.

150), payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), improvement and care of grounds and repairs to buildings (not to exceed $17,500), purchase of not to exceed fifteen passenger motor vehicles for replacement only, travel expenses (not to exceed $94,000), and printing and binding, $6,525,000: *Provided*, That funds appropriated under this paragraph may be used for application processing and hearings in connection with broadcast activities and for application processing in connection with safety and special services without regard to the apportionment of funds required by the Act of February 27, 1906 (31 U. S. C. 665).

FEDERAL POWER COMMISSION

Salaries and expenses: For expenses necessary for the work of the Commission, not otherwise provided for, as authorized by law, personal services in the District of Columbia, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents; not to exceed $220,000 for travel; health service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); printing and binding; purchase (not to exceed four, for replacement only) and hire of passenger motor vehicles; and not to exceed $500 for newspapers; $3,650,000, of which

amount not to exceed $2,122,000 shall be available for personal services in the District of Columbia exclusive of not to exceed $10,000 for special counsel and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), but at rates not exceeding $50 per diem for individuals.

Flood-control surveys: For expenses necessary for the work of the Commission as authorized by section 4 of the Act of June 28, 1938 (33 U. S. C. 701j), and similar provisions in subsequent Acts, including personal services in the District of Columbia; contract stenographic reporting services, and printing and binding, $325,000, of which amount not to exceed $130,000 shall be available for personal services in the District of Columbia.

FEDERAL TRADE COMMISSION

Salaries and expenses: For necessary expenses, personal services in the District of Columbia, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents; health service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); contract stenographic reporting services; printing and binding; and newspapers not to exceed $700; $3,450,000: *Provided,* That no part of the funds

appropriated herein for the Federal Trade Commission shall be expended upon any investigation hereafter provided by concurrent resolution of the Congress until funds are appropriated subsequently to the enactment of such resolution to finance the cost of such investigation.

FEDERAL WORKS AGENCY

OFFICE OF THE ADMINISTRATOR

Salaries and expenses: For salaries and expenses in the Office of the Administrator in the District of Columbia, including the salaries of an Assistant Administrator and a general counsel at $10,330 each per annum; purchase of newspapers and periodicals (not to exceed $150); health service program as authorized by law (5 U. S. C. 150); preparation, shipment, and installation of photographic displays, exhibits, and other descriptive materials; and travel expenses; $300,000.

Public Works Administration liquidation: The funds made available for "Public Works Administration liquidation" by the Second Deficiency Appropriation Act, 1944, as amended by the First Deficiency Appropriation Act, 1945, the First Deficiency Appropriation Act, 1946, the Third Deficiency Appropriation Act, 1946, the Independent Offices Appropriation Act, 1948, and the Independent Offices Appropriation Act, 1949, are hereby continued available

until June 30, 1950, of which not to exceed $15,500 shall be available for administrative expenses during the current fiscal year.

Servicing of securities (private funds): The Federal Works Administrator is authorized, in connection with the authority placed in him by the Independent Offices Appropriation Act, 1947, and section 6 of the Act of July 31, 1946 (16 U. S. C. 825u), in respect to all bonds and any other obligations under his jurisdiction, issued by public authorities, States, or other public bodies for projects financed by the Public Works Administration, to perform such services in the administration of such bonds and other obligations as he determines to be necessary and in the public interest: *Provided,* That such services shall be at the request of such public agencies: *Provided further,* That such public agencies shall pay to the United States the cost of such services and any funds thus received shall be deposited in a special account or accounts in the Treasury of the United States and shall be available to the Federal Works Administrator solely for defraying the cost of such services.

Appropriations and other funds available to the Federal Works Agency shall be available during the current fiscal year for (a) printing and binding; (b) services as

authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), but at rates for individuals not in excess of $50 per diem; and (c) payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672).

PUBLIC BUILDINGS ADMINISTRATION

For carrying into effect the provisions of the Public Buildings Acts, as provided in section 6 of the Act of May 30, 1908 (31 U. S. C. 683), and for the repair, preservation, and upkeep of all completed public buildings under the control of the Federal Works Agency, the mechanical equipment and the grounds thereof, and sites acquired for buildings, and for the operation of certain completed and occupied buildings under the control of the Federal Works Agency, including furniture and repairs thereof, but exclusive, with respect to operation, of buildings of the United States Coast Guard, of hospitals, quarantine stations, and other Public Health Service buildings, mints, bullion depositories, and assay offices, and buildings operated by the Treasury and Post Office Departments in the District of Columbia:

General administrative expenses: For necessary expenses of the Public Buildings Administration, personal services in the District of Columbia, including the salary of the Commissioner of Public Buildings at $12,000 per annum

so long as the position is held by the present incumbent; ground rent of the Federal buildings at Salamanca, New York, and Columbus, Mississippi, for which payment may be made in advance; $1,763,000, together with the unobligated balance of funds appropriated for the return of departmental functions to the seat of government, contained in the "Independent Offices Appropriation Act, 1948": *Provided,* That the foregoing appropriations shall not be available for the cost of surveys, plaster models, progress photographs, test pits and borings, or mill and shop inspections, but the cost thereof shall be construed to be chargeable against the construction appropriations of the respective projects to which they relate.

Repair, preservation, and equipment, outside the District of Columbia: For the repair, alteration, improvement, preservation, and equipment, not otherwise provided for, of completed Federal buildings, the grounds and approaches thereof, wharves, and piers, together with the necessary dredging adjacent thereto, and care and safeguarding of sites acquired for Federal buildings and of surplus real property, the custody of which is the responsibility of the Public Buildings Administration under the Act of August 27, 1935, pending sale or disposition; the demolition of buildings thereon; the purchase and repair of equipment and fixtures in buildings under the administration of the Federal Works

Agency; and for changes in, maintenance of, and repairs to the pneumatic-tube system in New York City installed under franchise of the city of New York, approved June 29, 1909, and June 11, 1928, and the payment of any obligations arising thereunder in accordance with the provisions of the Acts approved August 5, 1909 (36 Stat. 120), and May 15, 1928 (45 Stat. 533); $10,000,000: *Provided*, That the total expenditures for the fiscal year for the repair and preservation of buildings not reserved by the vendors on sites acquired for buildings or the enlargement of buildings and the installation and repair of the mechanical equipment thereof shall not exceed 20 per centum of the annual rental of such buildings.

Salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area: For expenses necessary for the administration, protection, maintenance, and improvement of public buildings and grounds in the District of Columbia and the area adjacent thereto, maintained and operated by the Public Buildings Administration, including repair, preservation, and equipment of buildings operated by the Treasury and Post Office Departments in the District of Columbia; rent of buildings; demolition of buildings; expenses incident to moving various executive departments and establishments in connection with the assignment, allocation, transfer, and survey of building space;

traveling expenses; the purchase of two passenger motor vehicles for replacement only; furnishings and equipment; arms and ammunition for the guard force; and purchase, repair, and cleaning of uniforms for guards and elevator conductors; $31,140,000: *Provided,* That all furniture now owned by the United States in other public buildings or in buildings rented by the United States shall be used, so far as practicable, whether or not it corresponds with the present regulation plan for furniture.

Salaries and expenses, public buildings and grounds outside the District of Columbia: For expenses necessary for the administration, operation, protection, and maintenance of public buildings and grounds outside the District of Columbia maintained and operated by the Public Buildings Administration, including cleaning, heating, lighting, rental of buildings and equipment, supplies, materials, furnishings and equipment, personal services in the District of Columbia, arms, ammunition, purchase, repair, and cleaning of uniforms for guards and elevator conductors, the purchase of five passenger motor vehicles for replacement only, expenses incident to moving Government agencies in connection with the assignment, allocation, and transfer of building space, and the restoration of leased premises, $23,968,800: *Provided,* That all furniture now owned by the United States in other public buildings or in buildings rented by the United States

shall be used, so far as practicable, whether or not it corresponds with the present regulation plan for furniture.

The provisions of section 322 of the Act of June 30, 1932, as amended (40 U. S. C. 278a), shall not apply to any lease entered into by, or transferred to, the Public Buildings Administration for the housing of activities specifically exempted from the provisions of the said Act, as amended.

Under the appropriations for salaries and expenses, public buildings and grounds in and outside the District of Columbia, and for national industrial reserve, per diem employees may be paid at rates approved by the Commissioner of Public Buildings not exceeding current rates for similar services in the place where such services are employed, and such employees in emergencies may be entered on duty subject to confirmation by the Federal Works Administrator.

The appropriations for salaries and expenses, public buildings and grounds in and outside the District of Columbia, shall be available for communication services serving one or more governmental activities, and for services to motor vehicles, and where such services, together with quarters, maintenance, or other services, are furnished on a reimbursable basis to any governmental activity, such activity shall make payment therefor promptly by check upon the request of the Public Buildings Administration, either in

advance or after the service has been furnished, for deposit to the credit of the applicable appropriation, of all or part of the estimated or actual cost thereof, as the case may be, proper adjustment upon the basis of actual cost to be made for services paid for in advance.

Costs of maintenance, upkeep, and repair paid by Government corporations pursuant to section 306 of the Government Corporations Appropriation Act, 1948, shall be credited to the appropriations of the Public Buildings Administration bearing such costs.

Funds available to the Public Buildings Administration shall also be available for health-service programs as authorized by law (5 U. S. C. 150).

National industrial reserve: For expenses necessary to carry out the duties imposed upon the Federal Works Agency by the Act of July 2, 1948 (Public Law 883), relating to the retention and maintenance of a national industrial reserve, including personal services in the District of Columbia; purchase of not to exceed eight passenger motor vehicles for replacement only; and maintenance, protection, repair, restoration, renovation, and other services by contract or otherwise without regard to section 3709 of the Revised Statutes; $12,500,000: *Provided*, That the War Assets Administration or its successor agency is hereby authorized and directed to transfer to the Public Buildings

Administration, without reimbursement, the land and buildings comprising War Assets Administration disposal center numbered 12, Buffalo, New York, together with all appurtenances thereto: *Provided further*, That the Public Buildings Administration may furnish necessary utilities or services, at cost, to persons, firms or corporations in connection with the occupancy of such plants and the amounts received therefor may be credited as reimbursements to this appropriation.

Geophysical Institute, Alaska: For the establishment of a geophysical institute at the University of Alaska, as authorized by the Act of July 31, 1946 (48 U. S. C. 175, 175a), $875,000, to be immediately available and to remain available until expended, which amount shall be for the payment of obligations incurred under authority provided under this head in the Independent Offices Appropriation Act, 1949.

General Accounting Office Building, District of Columbia: For continuation of construction of a building for the use of the General Accounting Office on square 518, in the District of Columbia, under the provisions of the Act of May 18, 1948 (Public Law 533), to remain available until expended, $5,000,000, which shall be for payment of obligations incurred under authority granted under this head in the Second Deficiency Appropriation Act, 1948.

Federal Courts Building, District of Columbia: For

the continuation of construction of a building for the use of the United States Court of Appeals for the District of Columbia and the District Court of the United States for the District of Columbia, as authorized by the Act of May 14, 1948 (Public Law 527), to remain available until expended, $5,000,000, which shall be for payment of obligations incurred under authority granted under this head in the Second Deficiency Appropriation Act, 1948.

PUBLIC ROADS ADMINISTRATION

General administrative expenses: For the employment of persons and means, including the salary of the Commissioner of Public Roads at $12,000 per annum so long as the position is held by the present incumbent, and including rent, advertising (including advertising in the city of Washington for work to be performed in areas adjacent thereto), purchase of periodicals, purchase of one hundred passenger motor vehicles for replacement only, health service program as authorized by law (5 U. S. C. 150), and the preparation, distribution, and display of exhibits, in the city of Washington and elsewhere for the purpose of conducting research and investigational studies, either independently or in cooperation with State highway departments, or other agencies, including studies of highway administration, legislation, finance, economics, transport, construction, operation, maintenance, utilization, and safety, and of

street and highway traffic control; investigations and experiments in the best methods of road making, especially by the use of local materials; studies of types of mechanical plants and appliances used for road building and maintenance, and of methods of road repair and maintenance suited to the needs of different localities; for maintenance and repairs of experimental highways; for furnishing expert advice on these subjects; for collating, reporting, and illustrating the results of same; and for preparing, publishing, and distributing bulletins and reports; to be paid from any moneys available from the administrative funds provided under the Act of July 11, 1916, as amended (23 U. S. C. 21), or as otherwise provided.

In carrying out the provisions of "An Act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", as amended and supplemented (23 U. S. C. 1–117), none of the money appropriated for the work of the Public Roads Administration during the current fiscal year shall be paid to any State on account of any project on which convict labor shall be employed, except this provision shall not apply to convict labor performed by convicts on parole or probation: *Provided*, That during the current fiscal year, whenever performing authorized engineering or other services in connection with the survey, construction, and main-

tenance, or improvement of roads for other Government agencies, cooperating foreign countries and State cooperating agencies the charge for such services may include depreciation on engineering and road-building equipment used, and the amounts received on account of such charges shall be credited to the appropriation concerned: *Provided further*, That during the current fiscal year the appropriations for the work of the Public Roads Administration shall be available for meeting the expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment stored therein for distribution to projects under the supervision of the Public Roads Administration, and for sale and for distribution to other Government activities, cooperating foreign countries and State cooperating agencies, the cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling) to be reimbursed to appropriations current at the time additional supplies, materials, or equipment are procured, from the appropriation chargeable with the cost or value of such supplies, materials, or equipment: *Provided further*, That the appropriations available to the Public Roads Administration may be used in emergency for medical supplies and services and other assistance necessary for the immediate relief of employees engaged on hazardous work under that Administration.

For all necessary expenses to enable the President to utilize the services of the Public Roads Administration in fulfilling the obligations of the United States under the Convention on the Pan-American Highway Between the United States and Other American Republics, signed at Buenos Aires, December 23, 1936, and proclaimed September 16, 1937 (51 Stat. 152), for the continuation of cooperation with several governments, members of the Pan American Union, in connection with the survey and construction of the Inter-American Highway as provided in public resolution, approved March 4, 1929 (Public Resolution 104), as amended or supplemented, and for performing engineering service in pan-American countries for and upon the request of any agency or governmental corporation of the United States, $100,000 to be derived from the administrative funds provided under the Act of July 11, 1916, as amended or supplemented (23 U. S. C. 21), or as otherwise provided.

Federal-aid postwar highways: For carrying out the provisions of the Federal-Aid Highway Act of 1944 (58 Stat. 838), $373,491,000, together with $1,509,000 of the unobligated balance of funds heretofore appropriated for access roads, to be immediately available and to remain available until expended, which sum is composed of $150,000,000, the remainder of the amount authorized to be

appropriated for the second postwar fiscal year by section 2 of said Act, and $225,000,000, a part of the amount authorized to be appropriated for the third postwar year by said section 2.

Forest highways: For expenses necessary for carrying out the provisions of section 23 of the Federal Highway Act of November 9, 1921, as amended (23 U. S. C. 23, 23a), in accordance with section 3a of the Federal-Aid Highway Act of 1948 (Public Law 834, approved June 28, 1948), to be available immediately and to remain available until expended, $22,500,000, which sum is composed of $2,400,000, the remainder of the amount authorized by section 9 of the Federal-Aid Highway Act of 1944 (58 Stat. 842) to be appropriated for the first postwar fiscal year and $20,100,000, a part of the amount authorized by said section to be appropriated for the second postwar fiscal year; and of which total amount $7,500,000 is for payment of obligations incurred under authority granted in the appropriation for "Forest roads and trails" under the Department of Agriculture in the Second Deficiency Appropriation Act, 1948: *Provided,* That any unexpended balances of amounts appropriated for forest highways under "Forest roads and trails" under the Department of Agriculture which are transferred to the Public Roads Administration shall be consolidated with this appropriation.

Access roads: During the current fiscal year, not to exceed $70,000 of funds remaining unexpended upon completion of access road projects authorized to be constructed under the provisions of the Defense Highway Act of 1941, as amended by the Act of July 2, 1942 (23 U. S. C. 106), shall be available for the maintenance of roads and bridges under the jurisdiction of the Public Roads Administration on Government-owned land in Arlington County, Virginia.

BUREAU OF COMMUNITY FACILITIES

Public works advance planning: The unexpended balances on June 30, 1949, of funds made available for public works advance planning under title V of the War Mobilization and Reconversion Act of 1944 (58 Stat. 791), are hereby continued available for expenditure until June 30, 1950.

Liquidation of public works advance planning: Not to exceed $350,000 of the unobligated balance on June 30, 1949, of the funds made available for public works advance planning under title V of the War Mobilization and Reconversion Act of 1944 (58 Stat. 791) shall be available during the current fiscal year for administrative expenses incident to the liquidation of the activity for which said funds were appropriated, including the objects specified under this head in the Independent Offices Appropriation Act, 1946.

Virgin Islands public works: For an additional amount to carry out the provisions of the Act of December 20, 1944 (58 Stat. 827), $680,000, to be available immediately.

War public works (community facilities) liquidation: For administrative expenses necessary during the current fiscal year for the liquidation of all activities under titles II, III, and IV of the Act of October 14, 1940, as amended (42 U. S. C. 1531–1534, 1541, and 1562), including personal services and rents in the District of Columbia; printing and binding; and a health service program as authorized by law (5 U. S. C. 150); not to exceed $175,000 of the unobligated balances of the funds heretofore appropriated for carrying out the provisions of titles II, III, and IV of the Act of October 14, 1940, as amended (42 U. S. C. 1531–1534, 1541, and 1562).

Veterans' educational facilities: Of the limitation of $4,000,000 on the amount for administrative expenses under this head in the Independent Offices Appropriation Act, 1949, the amount to be used exclusively for payment for accumulated and accrued leave to separated or furloughed employees is decreased from $467,000 to $367,000: *Provided,* That the foregoing limitation of $4,000,000 for administrative expenses is reduced to $3,800,000.

Grants for plan preparation, water pollution control: For grants to States, municipalities, or interstate agencies to aid in financing the cost of action preliminary to the construction of projects for water pollution control as authorized by section 8 (c) of the Water Pollution Control Act of June 30, 1948 (62 Stat. 1155), $400,000.

Administrative expenses, water pollution control: For expenses necessary to carry out the administrative functions of the Federal Works Agency under the provisions of the Water Pollution Control Act of June 30, 1948 (62 Stat. 1155), as authorized by section 8 (e) of said Act, including personal services in the District of Columbia; travel; hire of passenger motor vehicles; health service programs as authorized by law (5 U. S. C. 150); and exchange of books; $100,000.

GENERAL ACCOUNTING OFFICE

Salaries: For personal services in the District of Columbia and elsewhere, $31,743,000.

Miscellaneous expenses: For necessary expenses, including printing and binding and the purchase of one passenger motor vehicle for replacement only, $1,423,800.

Appropriations for the General Accounting Office shall be available for a health service program as authorized by law (5 U. S. C. 150), for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C.

2672), and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a).

HOUSING AND HOME FINANCE AGENCY

OFFICE OF THE ADMINISTRATOR

Salaries and expenses: For necessary expenses of the Office of the Administrator, including a health service program as authorized by law (5 U. S. C. 150), $1,200,000.

PUBLIC HOUSING ADMINISTRATION

Annual contributions: For the payment of annual contributions to public housing agencies in accordance with section 10 of the United States Housing Act of 1937, as amended (42 U. S. C. 1410), $5,000,000: *Provided,* That except for payments required on contracts entered into prior to April 18, 1940, no part of this appropriation shall be available for payment to any public housing agency for expenditure in connection with any low-rent housing project, unless the public housing agency shall have adopted regulations prohibiting as a tenant of any such project by rental or occupancy any person other than a citizen of the United States, but such prohibition shall not be applicable in the case of a family of any serviceman or the family of any veteran who has been discharged (other than dishonorably) from, or the family of any serviceman who died in, the armed forces of the United States within four years prior to the date of application for admission to

such housing: *Provided further,* That no part of this appropriation shall be used to pay any public housing agency any contribution occasioned by payments in lieu of taxes in excess of the amount specified in the original contract between such agency and the Public Housing Administration or its predecessor agencies: *Provided further,* That all expenditures of this appropriation shall be subject to audit and final settlement by the Comptroller General of the United States under the provisions of the Budget and Accounting Act of 1921, as amended.

INDIAN CLAIMS COMMISSION

Salaries and expenses: For expenses necessary to carry out the purposes of the Act of August 13, 1946 (Public Law 726), creating an Indian Claims Commission, including personal services in the District of Columbia and printing and binding, $90,000.

INLAND WATERWAYS CORPORATION

Inland Waterways Corporation: For the purchase of capital stock of the Inland Waterways Corporation (administered under the supervision and direction of the Secretary of Commerce) authorized by section 2 of the Act of June 3, 1924, as amended (49 U. S. C. 152), $1,000,000, to remain available until expended.

INTERSTATE COMMERCE COMMISSION

General expenses: For expenses necessary in performing the functions vested by law in the Commission (49 U. S. C. 1–24, 301–327, 901–923, 1001–1022), except those otherwise specifically provided for in this Act, and for general administration; not to exceed $5,000 for the employment of special counsel; contract stenographic reporting services; personal services in the District of Columbia; newspapers (not to exceed $200); health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); purchase of ten passenger motor vehicles for replacement only; and printing and binding; $9,321,000, of which $35,000 shall be available for valuations of pipe lines, and $3,556,039 shall be available for the work of the Bureau of Motor Carriers: *Provided,* That Joint Board members and cooperating State commissioners may use Government transportation requests when traveling in connection with their duties as such.

Railroad safety: For expenses necessary in performing functions authorized by law (45 U. S. C. 1–15, 17–21, 35–46, 61–64; 49 U. S. C. 26) to insure a maximum of safety in the operation of railroads, including authority to in-

vestigate, test experimentally, and report on the use and need of any appliances or systems intended to promote the safety of railway operation, including those pertaining to block-signal and train-control systems, as authorized by the joint resolution approved June 30, 1906, and the Sundry Civil Act of May 27, 1908 (45 U. S. C. 35–37), and to require carriers by railroad subject to the Act to install automatic train-stop or train-control devices as prescribed by the Commission (49 U. S. C. 26), including the employment of inspectors, engineers, and personal services in the District of Columbia, and payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $958,500.

Locomotive inspection: For expenses necessary in the enforcement of the Act of February 17, 1911, entitled "An Act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in inter-state commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto", as amended (45 U. S. C. 22–34), including personal services in the District of Columbia, and payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $674,500.

INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

Contribution to Interstate Commission on the Potomac River Basin: To enable the Secretary of the Treasury to pay in advance to the Interstate Commission on the Potomac River Basin the Federal contribution toward the expenses of the Commission during the current fiscal year in the administration of its business in the conservancy district established pursuant to the Act of July 11, 1940 (54 Stat. 748), $5,000.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Salaries and expenses: For necessary expenses of the Committee contracts, without regard to section 3709, Revised Statutes, as amended, for the making of special investigations and reports and for engineering, drafting and computing services; equipment, maintenance, and operation of the Langley Aeronautical Laboratory, the Ames Aeronautical Laboratory, and the Lewis Flight Propulsion Laboratory; purchase and maintenance of cafeteria equipment; maintenance and operation of aircraft; purchase of eight passenger motor vehicles for replacement only;

printing and binding; personal services in the District of Columbia; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); including $2,500 for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and a health service program for employees as authorized by law (5 U. S. C. 150); in all, $38,710,000: *Provided,* That statutory provisions prohibiting the payment of compensation to aliens shall not apply to any person whose employment by the Committee shall be determined by the Chairman thereof to be necessary: *Provided further,* That aircraft and parts, equipment, and supplies may be transferred to the Committee by the Air Force, Army, and Navy without reimbursement.

Construction and equipment: For construction and equipment at laboratories and research stations of the Committee, to be available until June 30 of the next succeeding year, $10,000,000, of which $7,277,200 shall be available for payments under contracts entered into pursuant to the contract authority under this head in the Independent Offices Appropriation Act, 1949: *Provided,* That in addition, the Committee may enter into contracts for the purposes of this appropriation in an amount not in excess of $10,000,000.

NATIONAL ARCHIVES

Salaries and expenses: For necessary expenses of the Archivist and the National Archives; including personal services in the District of Columbia; scientific, technical, first-aid, protective, and other apparatus and materials for the arrangement, titling, scoring, repair, processing, editing, duplication, reproduction, and authentication of photographic and other records (including motion-picture and other films and sound recordings) in the custody of the Archivist; printing and binding; contract stenographic reporting services; travel expenses; payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and a health-service program as authorized by law (5 U. S. C. 150); $1,350,000.

NATIONAL CAPITAL HOUSING AUTHORITY

Maintenance and operation of properties: For the maintenance and operation of properties under title I of the District of Columbia Alley Dwelling Authority Act, $31,410: *Provided,* That all receipts derived from sales, leases, or other sources shall be covered into the Treasury of the United States monthly.

NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Land acquisition, National Capital and metropolitan area: For necessary expenses for the National Capital Park and Planning Commission in connection with the acquisition of land for the park, parkway, and playground system of the National Capital, as authorized by the Act of May 29, 1930 (46 Stat. 482), and amendment of August 8, 1946 (60 Stat. 960); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), and real estate appraisers, by contract or otherwise without regard to the civil service and classification laws and section 3709, Revised Statutes, at rates of pay or fees not to exceed those usual for similar services; purchase of options and other costs incident to the acquisition of land; $695,000, to remain available until expended, $498,000 of said sum to be used for carrying out the provisions of section 1 (b) of said Act and $197,000 for carrying out the provisions of section 4 of said Act: *Provided*, That not exceeding $25,000 of funds available during the current fiscal year may be used for personal services.

District of Columbia redevelopment project planning: For printing and binding of a comprehensive plan prepared in accordance with the Act of August 2, 1946 (60 Stat. 790), $20,000.

PHILIPPINE WAR DAMAGE COMMISSION

Philippine War Damage Commission: For carrying out the provisions of title I of the Philippine Rehabilitation Act of 1946, $184,800,000, to remain available until April 30, 1951, of which not to exceed $3,502,554 shall be for necessary expenses of the Philippine War Damage Commission for the current fiscal year, including personal services in the District of Columbia; purchase of newspapers and periodicals not to exceed $200; housing of American employees by rental or lease and necessary repairs and alterations to and maintenance of quarters, without regard to section 322 of the Act of June 30, 1932, as amended (40 U. S. C. 278a); printing and binding without regard to section 11 of the Act of March 1, 1919 (44 U. S. C. 111); and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided,* That the provisions of the Act of June 29, 1936 (46 U. S. C. 1241), shall not apply to any travel or transportation of effects payable from this appropriation: *Provided further,* That no payment shall be made under the provisions of such title of such Act to any person who, by a civil or military court having jurisdiction, has been found guilty of collaborating with the enemy or of any act involving disloyalty to the United States or the Republic of the Philippines: *Provided further,* That no part of this appropriation shall be available

for engaging in any phase of activity or for undertaking any phase of activity authorized by the Philippine Rehabilitation Act of 1946 which would result in obligating the Government of the United States in any sense or respect to the future payment of amounts in excess of the amounts authorized to be appropriated in such Act: *Provided further,* That $20,000,000 of this appropriation shall be available immediately: *Provided further,* That the limitation under this head in the Independent Offices Appropriation Act, 1949, on the amount available for necessary expenses, is increased from "$2,907,991" to "$2,979,991": *Provided further,* That the limitation imposed by section 104 of the Independent Offices Appropriation Act, 1949, on the amount available for travel expenses under this head for the fiscal year 1949, is increased from "$227,720" to "$299,720".

SECURITIES AND EXCHANGE COMMISSION

Salaries and expenses: For necessary expenses, personal services in the District of Columbia, including salaries of the commissioners at $12,000 each per annum so long as the positions are held by the present incumbents; health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); not to exceed $1,150 for the purchase of newspapers; printing and binding; and

services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); $5,750,000.

SELECTIVE SERVICE SYSTEM

Salaries and expenses: For expenses necessary for the operation and maintenance of the Selective Service System, as authorized by title I of the Selective Service Act of 1948 (62 Stat. 604) including personal services in the District of Columbia; printing and binding; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); purchase of typewriters; not to exceed $500 for the purchase of newspapers and periodicals; and a health-service program as authorized by law (5 U. S. C. 150); $4,500,000.

SMITHSONIAN INSTITUTION

Salaries and expenses, Smithsonian Institution: For all necessary expenses for the preservation, exhibition, and increase of collections from the surveying and exploring expeditions of the Government and from other sources; for the system of international exchanges between the United States and foreign countries; for anthropological researches among the American Indians and the natives of Hawaii and the excavation and preservation of archeological remains; for maintenance of the Astrophysical Observatory and making necessary observations in high altitudes; for the administra-

tion of the National Collection of Fine Arts; for the administration, and for the construction and maintenance, of laboratory and other facilities on Barro Colorado Island, Canal Zone, under the provisions of the Act of July 2, 1940, as amended by the provisions of Reorganization Plan Numbered 3 of 1946; for the maintenance and administration of a national air museum as authorized by the Act of August 12, 1946 (20 U. S. C. 77); including personal services in the District of Columbia and not to exceed $35,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); traveling expenses; payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); printing and binding, including printing the report of the American Historical Association; purchase, repair, and cleaning of uniforms for guards and elevator conductors; repairs and alterations of buildings and approaches; and preparation of manuscripts, drawings, and illustrations for publications; $2,300,000.

Salaries and expenses, National Gallery of Art: For the upkeep and operation of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including personal services in the District

of Columbia; health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); traveling expenses; not to exceed $250 for payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards and elevator operators; printing and binding; purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance and repair of buildings, approaches, and grounds; $1,057,700: *Provided,* That section 3709 of the Revised Statutes, or the Classification Act of 1923, as amended, shall not apply to the restoration and repair of works of art for the National Gallery of Art, the cost of which shall not exceed $15,000.

TARIFF COMMISSION

Salaries and expenses: For necessary expenses of the Tariff Commission, including personal services in the District of Columbia, printing and binding, subscriptions to newspapers not to exceed $250, health-service program as authorized by law (5 U. S. C. 150), and contract stenographic reporting services as authorized by section 15 of the Act of Au-

gust 2, 1946 (5 U. S. C. 55a), $1,200,000: *Provided,* That no part of this appropriation shall be used to pay the salary of any member of the Tariff Commission who shall hereafter participate in any proceedings under sections 336, 337, and 338 of the Tariff Act of 1930, wherein he or any member of his family has any special, direct, and pecuniary interest, or in which he has acted as attorney or special representative.

TENNESSEE VALLEY AUTHORITY

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U. S. C., ch. 12A), including purchase (not to exceed one) and hire, maintenance, repair, and operation of aircraft; the purchase (not to exceed one hundred and twelve for replacement only) and hire of passenger motor vehicles, $49,359,150 to remain available until expended, and to be available for the payment of obligations chargeable against prior appropriations.

THE TAX COURT OF THE UNITED STATES

Salaries and expenses: For necessary expenses, including printing and binding and contract stenographic reporting services, $800,000: *Provided,* That travel expenses of the judges shall be paid upon the written certificate of the judge.

UNITED STATES MARITIME COMMISSION

Salaries and expenses: For expenses necessary for carrying into effect the Merchant Marine Act, 1936, and other laws administered by the United States Maritime Commission, $62,380,424, within limitations as follows:

Administrative expenses, including personal services in the District of Columbia; printing and binding; not to exceed $2,000 for newspapers and periodicals; not to exceed $17,700 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and not to exceed $1,125 for entertainment of officials of other countries when specifically authorized by the Chairman; in all, not to exceed $8,950,142, together with not to exceed $586,648 of the unobligated balance in the Federal ship mortgage insurance fund, revolving fund: *Provided,* That the Maritime Commission is authorized to dispense with the administrative audit of agents' accounts covering voyages beginning prior to April 1, 1949;

New ship construction, including reconditioning and betterment, as authorized by title V of the Merchant Marine Act, 1936 (except for construction of two prototype vessels under title VII of said Act), $26,875,000, of which $12,000,000 is for payment of obligations incurred under au-

thority granted under this head in the Supplemental Independent Offices Appropriation Act, 1949, to enter into contracts for new ship construction in an amount not to exceed $75,000,000; and, in addition, the Commission is authorized to enter into contracts for new ship construction in an amount not to exceed $70,125,000: *Provided,* That not to exceed $104,000,000 of the funds and contract authority made available for new ship construction, including reconditioning and betterment, in the Supplemental Independent Offices Appropriation Act, 1949, shall continue to be available until September 30, 1949: *Provided further,* That any funds and contract authority available for new ship construction under the limitation herein, and any funds and contract authority available for new ship construction in the Supplemental Independent Offices Appropriation Act, 1949, shall be available during the fiscal year 1950 in such amounts as may be necessary, in the discretion of the Commissioners, for use in acquisition and completion of the vessels Mariposa and Monterey, or either of them, as authorized in the said Supplemental Independent Offices Appropriation Act, 1949;

Maintenance of shipyard facilities, $409,700;

Operation of warehouses, $461,550;

Operating-differential subsidies, $18,218,382: *Provided,* That to the extent that the operating-differential subsidy

accrual (computed on the basis of parity) is represented on the operator's books by a contingent accounts receivable item against the Commission as a partial or complete offset to the recapture accrual, the operator (1) shall be excused from making deposits in the Special Reserve Fund and, (2) as to the amount of such earnings the deposit of which is so excused, shall be entitled to the same tax treatment as though it had been deposited in said Special Reserve Fund. To the extent that any amount paid to the operator by the Commission reduces the balance in the operator's contingent receivable account against the Commission, such amount, unless it is forthwith deposited in the fund, shall be considered as withdrawn under section 607 (h) of the Merchant Marine Act, 1936, as amended;

Reserve fleet expense, $6,534,800;

Maintenance and operation of terminals, $510,850;

Miscellaneous expenses, including payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $420,000, of which $250,000 shall be available exclusively for liquidation of liens or claims which may take precedence over the Government's preferred mortgage on vessels.

Maritime training: For training personnel for the manning of the merchant marine (including operation of training stations at Kings Point, New York; Sheepshead

Bay, New York; Pass Christian, Mississippi; Saint Petersburg, Florida; Alameda, California, and the United States Maritime Service Institute), including not to exceed $1,682,500 for personal services (exclusive of pay of cadet midshipmen and other trainees) in the District of Columbia and elsewhere; printing and binding; health-service program as authorized by law (5 U. S. C. 150); not to exceed $2,500 for contingencies for the Superintendent, United States Merchant Marine Academy, to be expended in his discretion; and not to exceed $60,000 for transfer to applicable appropriations of the Public Health Service for services rendered the Commission, $6,586,000.

State marine schools: To reimburse the State of California, $50,000; the State of Maine, $50,000; the State of Massachusetts, $50,000; and the State of New York, $50,000; for expenses incurred in the maintenance and support of marine schools in such States as provided in the Act authorizing the establishment of marine schools, and so forth, approved March 4, 1911, as amended (34 U. S. C. 1121–1123); and for the maintenance and repair of vessels loaned by the United States to the said States for use in connection with such State marine schools, $170,000; in all, $370,000.

War Shipping Administration liquidation: Not to exceed $15,000,000 of the unexpended balance of the

appropriation to the Secretary of the Treasury in the Second Supplemental Appropriation Act, 1948, for liquidation of obligations found by the General Accounting Office to have been properly incurred against funds of the War Shipping Administration prior to January 1, 1947, is hereby continued available during the current fiscal year.

Notwithstanding any other provision of this Act, the Commission is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Commission, and payments received by the Commission for utilities, services, and repairs so furnished or made shall bc credited to the appropriation charged with the cost thercof: *Provided,* That rental payments under any such lease, contract, or occupancy on account of items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous rcceipts.

The United States Maritime Commission shall not incur any obligations during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act: *Provided,* That nothing contained herein and in the Independent Offices Appropriation Act, 1948, shall be construed to affect the authority of the Commission pursuant to the provisions of

and homes under the jurisdiction of the Veterans' Administration either by contract or by the hire of temporary employees and the purchase of materials: *Provided further*, That hereafter the Administrator shall assign as his representatives, as provided for in the last sentence of section 1100 (a) of the Servicemen's Readjustment Act of 1944 (38 U. S. C. 696f), only such numbers of regional or sectional representatives as he finds necessary to provide for the processing of readjustment allowances in an efficient and economical manner, and any such representative may be assigned to one or more States (without regard to residence in any State to which assigned) as may be necessary to carry out the intent of this proviso.

Tort claims: For payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $15,000.

Pensions: For the payment of compensation, pensions, gratuities, and allowances (including subsistence allowances authorized by part VII of Veterans Regulation 1a, as amended), authorized under any Act of Congress, or regulation of the President based thereon, including emergency officers' retirement pay and annuities, the administration of which is now or may hereafter be placed in the Veterans' Administration, and for the payment of adjusted-service credits as provided in sections 401 and 601 of the Act of

May 19, 1924, as amended (38 U. S. C. 631 and 661), $1,998,801,000, to be immediately available and to remain available until expended.

Readjustment benefits: For the payment of benefits to or on behalf of veterans as authorized by titles II, III, and V, of the Servicemen's Readjustment Act of 1944, $2,197,503,000, to be immediately available and to remain available until expended: *Provided,* That no part of this appropriation for education and training under title II of the Servicemen's Readjustment Act, as amended, shall be expended for tuition, fees, or other charges, or for subsistence allowance, for any course elected or commenced by a veteran on or subsequent to July 1, 1948, and which is determined by the Administrator to be avocational or recreational in character. For the purposes of this proviso, education or training for the purpose of teaching a veteran to fly or related aviation courses in connection with his present or contemplated business or occupation shall not be considered avocational or recreational.

Military and naval insurance: For military and naval insurance, $3,735,000, to be immediately available and to remain available until expended.

Hospital and domiciliary facilities: The authority under this head in the Third Urgent Deficiency Appropriation Act, 1946, the Independent Offices Appropriation Act,

1948, and the Supplemental Independent Offices Appropriation Act, 1949, to incur obligations for the purposes specified in those Acts, is hereby extended to July 1, 1951: *Provided,* That not to exceed 6.7 per centum of the foregoing contract authorizations shall be available for the employment in the District of Columbia and in the field of all necessary technical and clerical personnel for the preparation of plans and specifications for the projects as approved hereunder and in the supervision of the execution thereof, and for all travel expenses, field office equipment, and supplies in connection therewith, except that whenever the Veterans' Administration finds it necessary in the construction of any project to employ other Government agencies or persons outside the Federal service to perform such services not to exceed 10 per centum of the cost of such projects may be expended for such services: *Provided further,* That not to exceed $10,000,000 of the foregoing contract authorizations shall be obligated for portable initial equipment, including the purchase of one hundred and fifty-one passenger motor vehicles.

National service life insurance: For the payment of benefits and for transfer to the national service life insurance fund, in accordance with the National Service Life Insurance Act of 1940, as amended, $49,374,000, to be immediately available and to remain available until expended: *Provided,*

That certain premiums shall be credited to this appropriation as provided by the Act.

Veterans' miscellaneous benefits: For the payment of burial awards authorized by Veterans' Administration Regulation Numbered 9 (a), as amended, and for supplies, equipment, and tuition authorized by part VII and payments authorized by part IX of Veterans' Administration Regulation Numbered 1 (a), as amended, $75,330,000, to remain available until expended.

No part of the foregoing appropriations shall be available for hospitalization or examination of any persons except beneficiaries entitled under the laws bestowing such benefits to veterans, unless reimbursement of cost is made to the appropriation at such rates as may be fixed by the Administrator of Veterans' Affairs.

INDEPENDENT OFFICES—GENERAL PROVISIONS

SEC. 102. No part of any appropriation contained in this title shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided,* That for the purposes hereof an affidavit

shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this title shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 103. Where appropriations in this title are expendable for travel expenses of employees and no specific limita-

tion has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth therefor in the budget estimates submitted for the appropriations.

SEC. 104. Where appropriations in this title are expendable for the purchase of newspapers and periodicals and no specific limitation has been placed thereon, the expenditures therefor under each such appropriation may not exceed the amount of $50: *Provided*, That this limitation shall not apply to the purchase of scientific, technical, trade, or traffic periodicals necessary in connection with the performance of the authorized functions of the agencies for which funds are herein provided.

SEC. 105. No part of any appropriation contained in this title shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the armed forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Civil Service Commission as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 106. Appropriations contained in this title, available for expenses of travel, shall be available, when specifically authorized by the head of the activity or establishment concerned, for expenses of attendance at meetings of organizations concerned with the function or activity for which the appropriation concerned is made; and shall be available for the examination of estimates of appropriations and activities in the field.

SEC. 107. No part of any appropriation or fund contained in this title shall be available for installing or maintaining systems for administrative appropriation, fund, or inventory accounting except such systems as are prescribed or approved by the Comptroller General: *Provided,* That all agencies, for whose activities provision is made in this title, shall hereafter maintain fiscal-accounting control of all inventories of supplies, materials, or equipment which may be owned by or be in the custody of such agencies: *Provided further,* That this section shall not be applicable to corporations or agencies subject to the Government Corporation Control Act, as amended.

SEC. 108. Where provision is made in this title specifically setting forth the salary of any officer or employee, such salary rate shall be effective immediately upon the passage of this Act.

SEC. 109. No part of any appropriations made available by the provisions of this title shall be used for the purchase or sale of real estate or for the purpose of establishing new offices outside the District of Columbia: *Provided,* That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor.

SEC. 110. All agencies provided for in this title shall furnish an administrative break-down of the costs of personnel and other obligations in the District of Columbia and in the field in such detail as the Subcommittees on Independent Offices Appropriations of the Committees on Appropriations of the Senate and the House of Representatives may direct.

SEC. 111. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and twenty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided,* That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel

program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

TITLE II

CORPORATIONS

The following corporations and agencies, respectively, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Budget for the fiscal year 1950 for each such corporation or agency, except as hereinafter provided:

HOUSING AND HOME FINANCE AGENCY

Home Loan Bank Board: Not to exceed a total of $427,500 to be derived from the special deposit account established under the provisions under the head "Federal Home Loan Bank Administration" in the Independent Offices Appropriation Act, 1944, and from receipts of the Federal

Home Loan Bank Administration, the Federal Home Loan Bank Board, or the Home Loan Bank Board for the current fiscal year and prior fiscal years, shall be available during the current fiscal year for administrative expenses of the Home Loan Bank Board, including health-service program as authorized by law (5 U. S. C. 150), and the Board may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Federal Savings and Loan Insurance Corporation, the Home Owners' Loan Corporation, and other agencies of the Government: *Provided*, That all necessary expenses in connection with the conservatorship of institutions insured by the Federal Savings and Loan Insurance Corporation and all necessary expenses (including services performed on a contract or fee basis, but not including other personal services) in connection with the handling, including the purchase, sale, and exchange, of securities on behalf of Federal home-loan banks, and the sale, issuance, and retirement of, or payment of interest on, debentures or bonds, under the Federal Home Loan Bank Act, as amended, shall be considered as nonadministrative expenses for the purposes hereof: *Provided further*, That notwithstanding any other provisions of this Act, except

for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of the Board shall be incurred, allowed, and paid in accordance with the provisions of the Federal Home Loan Bank Act of July 22, 1932, as amended (12 U. S. C. 1421–1449).

Federal Savings and Loan Insurance Corporation: Not to exceed $617,500 shall be available for administrative expenses, including health-service program as authorized by law (5 U. S. C. 150), which shall be on an accrual basis and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, expenses in connection with liquidation of insured institutions, liquidation or handling of assets of or derived from insured institutions, payment of insurance, and action for or toward the avoidance, termination, or minimizing of losses in the case of specific insured institutions, and legal fees and expenses, and said Corporation may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Home Loan Bank Board, the Home Owners' Loan Corporation, and other agencies of the Government: *Provided,* That notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of said Corporation shall be incurred, allowed, and paid in

accordance with title IV of the Act of June 27, 1934, as amended (12 U. S. C. 1724–1730).

Home Owners' Loan Corporation: Not to exceed $1,823,250 shall be available for administive expenses, including health-service program as authorized by law (5 U. S. C. 150), which shall be on an accrual basis and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, expenses (including services performed on a force account, contract, or fee basis, but not including other personal services) in connection with the acquisition, protection, operation, maintenance, improvement, or disposition of real or personal property belonging to said Corporation or in which it has an interest, and legal fees and expenses, and said Corporation may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and other agencies of the Government: *Provided*, That, notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of said Corporation shall be incurred, allowed, and paid in accordance with the Home Owners' Loan Act of 1933, as amended (12 U. S. C. 1461–1468).

Federal Housing Administration: In addition to the amounts available by or pursuant to law (which shall be transferred to this authorization) for the administrative expenses of the Federal Housing Administration in carrying out duties imposed by or pursuant to law, not to exceed $21,860,750 of the various funds of the Federal Housing Administration as follows: (1) the mutual mortgage insurance fund; (2) the housing insurance fund; (3) the account in the Treasury comprised of funds derived from premiums collected under authority of section 2 (f), title I of the National Housing Act, as amended (12 U. S. C. 1701); (4) the war housing insurance fund; and (5) the housing investment insurance fund shall be available for expenditure, in accordance with the provisions of said Act for the administrative expenses of the Federal Housing Administration, including purchase of not to exceed one passenger motor vehicle, for replacement only; not to exceed $1,500 for periodicals and newspapers; not to exceed $1,500 for contract actuarial services; and health-service program as authorized by law (5 U. S. C. 150): *Provided,* That necessary expenses of the Administration (including services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, protection, completion, operation, maintenance, improvement,

or disposition of real or personal property of the Administration acquired under authority of titles I, II, VI, and VII of said National Housing Act, shall be considered as nonadministrative for the purposes hereof: *Provided further*, That, except as herein otherwise provided, the administrative expenses and other obligations, including nonadministrative expenses, of the Administration shall be incurred, allowed, and paid in accordance with the provisions of said Act of June 27, 1934, as amended (12 U. S. C. 1701).

Public Housing Administration: Of the amounts available by or pursuant to law for the administrative expenses of the Public Housing Administration in carrying out duties imposed by or pursuant to law including not to exceed $2,329,550 of the funds available for administrative expenses for the United States Housing Act program, not to exceed $8,054,600 shall be available for such expenses, including purchase of not to exceed five passenger motor vehicles, for replacement only; and a health-service program as authorized by law (5 U. S. C. 150): *Provided*, That necessary expenses of providing representatives of the Administration at the sites of non-Federal projects in connection with the construction of such non-Federal projects by public housing agencies with the aid of the Administration, shall be compensated by such agencies by the payment of fixed fees which in the aggregate

in relation to the development costs of such projects will cover the costs of rendering such services, and expenditures by the Administration for such purpose shall be considered nonadministrative expenses, and funds received from such payments may be used only for the payment of necessary expenses of providing representatives of the Administration at the sites of non-Federal projects or for administrative expenses of the Administration not in excess of the amount authorized by the Congress: *Provided further*, That the Administrator of the Housing and Home Finance Agency may relinquish and transfer, pursuant to the same general terms and conditions specified in subsections 505 (a) and (b) of the Act of October 14, 1940, as added by the Act of June 28, 1948 (Public Law 796), title to temporary housing provided for certain veterans and their families under title V of said Act of October 14, 1940, as amended, to any State, county, city, or other public body: *Provided further*, That any application for such relinquishment and transfer shall be filed with the Administrator within one hundred and twenty days after the approval of this Act.

Liquidation of resettlement projects: Not to exceed $19,800 of the receipts derived from the operation of the projects transferred under section 4 (b) of Reorganization Plan Numbered 3 of 1947 shall be available for necessary expenses in connection with and to facilitate disposition of

the suburban resettlement projects known as Greenbelt, Greendale, and Greenhills including services in accordance with section 15 of the Act of August 2, 1946 (5 U. S. C. 55a).

INLAND WATERWAYS CORPORATION

Inland Waterways Corporation (administered under the supervision and direction of the Secretary of Commerce): Not to exceed $522,000 shall be available for administrative expenses, to be determined in the manner set forth under the title "General expenses" in the Uniform System of Accounts for Carriers by Water of the Interstate Commerce Commission (effective January 1, 1947): *Provided,* That no funds shall be used to pay compensation of employees normally subject to the Classification Act of 1923, as amended, at rates in excess of rates fixed for similar services under the provisions of the Classification Act, as amended, nor to pay the compensation of vessel employees and such terminal and other employees as are not covered by the Clasification Act, at rates in excess of rates prevailing in the river transportation industry in the area (including prevailing leave allowances for vessel employees, but the granting of such allowances shall not be construed as establishing a different leave system within the meaning of that term as used in section 3 of the Act of December 21, 1944 (5 U. S. C. 61d)).

TENNESSEE VALLEY AUTHORITY

Not to exceed $3,699,000 of the funds available to the Tennessee Valley Authority, shall be available during the current fiscal year for all administrative and general expenses of the Corporation, which expenses shall be inclusive of costs of all administrative offices and other activities representing management and other functions serving the programs and projects of the Corporation in general.

CORPORATIONS—GENERAL PROVISIONS

SEC. 202. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided,* That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Gov-

ernment of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further,* That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any funds available to any corporation or agency included in this title shall be guilty of a felony, and upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing laws.

SEC. 203. No part of the funds of, or available for expenditure by, any corporation or agency included in this

title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and twenty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided,* That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil service examiners; wage administration; and processing, recording, and reporting.

TITLE III—GENERAL PROVISIONS

DEPARTMENTS AND AGENCIES

SEC. 301. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year, in accordance with section 16 of the Act of August 2, 1946 (5 U. S. C. 78), for the purchase of any passenger motor vehicle (exclusive of busses, ambulances, and station wagons), is hereby fixed at $1,400.

SEC. 302. Unless otherwise specified and during the

current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act who, being eligible for citizenship, had filed a declaration of intention to become a citizen of the United States prior to such date, or (3) is a person who owes allegiance to the United States: *Provided,* That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further,* That any person making a false affidavit shall be guilty of a felony and, upon conviction, shall be fined not more than $4,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further,* That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government.

This section shall not apply to citizens of the Republic of the Philippines or to nationals of those countries allied with the United States in the prosecution of the war.

SEC. 303. Appropriations for the executive departments and independent establishments for the current fiscal year available for travel expenses shall be available for the payment of per diem allowances in lieu of subsistence expenses without regard to the Subsistence Expense Act of 1926, as amended (5 U. S. C. 821–833), to civilian officers and employees of such departments and establishments while traveling on official business outside the continental limits of the United States and away from their designated posts of duty: *Provided*, That the amount of such allowances shall be determined by the head of the department or independent establishment concerned or by such official as he may designate for the purpose, but shall, in no case, notwithstanding any other provision of law, exceed the maximum established by regulations prescribed by the President for the locality in which the travel is performed.

SEC. 304. Appropriations of the executive departments and independent establishments for the current fiscal year, available for expenses of travel or for the expenses of the activity concerned, are hereby made available for living quarters allowances in accordance with the Act of

June 26, 1930 (5 U. S. C. 118a), and regulations prescribed thereunder, and cost-of-living allowances similar to those allowed under section 901 (2) of the Foreign Service Act of 1946, in accordance with and to the extent prescribed by regulations of the President, for all civilian officers and employees of the Government permanently stationed in foreign countries: *Provided*, That the availability of appropriations made to the Department of State for carrying out the provisions of the Foreign Service Act of 1946 shall not be affected hereby.

SEC. 305. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve of the nomination of said person.

SEC. 306. No part of any appropriation contained in this or any other Act shall be used to pay in excess of $4 per volume for the current and future volumes of the United States Code Annotated and such volumes shall be purchased on condition and with the understanding that latest published cumulative annual pocket parts issued prior to the date of purchase shall be furnished free of charge, or in excess of $4.25 per volume for the current or future volumes of the Lifetime Federal Digest.

CORPORATIONS

SEC. 307. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to the Government Corporation Control Act, as amended (31 U. S. C. 841), shall be available, in addition to objects for which such funds are otherwise available, for personal services and rent in the District of Columbia; printing and binding; examination of budgets and estimates of appropriations in the field; travel expenses in accordance with the Standardized Government Travel Regulations, the Subsistence Expense Act of 1926, as amended (except as to per diem rates outside continental United States) and the Act of February 14, 1931, as amended (5 U. S. C. 73a); services in accordance with section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and the objects specified in the sections of this title under the head "Departments and agencies", all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided,* That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

SEC. 308. No part of any funds of or available to any

wholly owned Government corporation shall be used for the purchase or construction, or in making loans for the purchase or construction of any office building at the seat of government primarily for occupancy by any department or agency of the United States Government or by any corporation owned by the United States Government.

SEC. 309. Funds of corporations and agencies, subject to the Government Corporation Control Act, as amended, covered by the provisions of this or any other Act shall be available during the current fiscal year for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672).

SEC. 310. After June 30, 1949, the corporations or agencies subject to the Government Corporation Control Act, as amended (31 U. S. C. 841), are authorized, with the approval of the Comptroller General, to consolidate, notwithstanding the provisions of any other law, into one or more accounts for banking and checking purposes all cash, including amounts appropriated, from whatever source derived: *Provided,* That such cash, including amounts appropriated, of such corporations or agencies shall be expended in accordance with the applicable terms of their respective enabling acts and any other acts applicable to their transactions.

TITLE IV—REDUCTIONS IN APPROPRIATIONS

Amounts available from appropriations and other funds are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this Act, except as otherwise indicated:

FUNDS APPROPRIATED TO THE PRESIDENT

Payments, Armed Forces Leave Act, 1946: $135,000,000.

Overtime, leave, and holiday compensation: The balance remaining unobligated on June 30, 1949, such balance to be carried to the surplus fund and covered into the Treasury immediately thereafter.

FEDERAL WORKS AGENCY

Office of the Administrator: Public works advance planning under title V of the War Mobilization and Reconversion Act of 1944, $4,164,000.

VETERANS' ADMINISTRATION

Administrative facilities: $1,250,000.

Vocational Rehabilitation Revolving Fund: $500,000.

This Act may be cited as the "Independent Offices Appropriation Act, 1950".

Passed the House of Representatives April 14, 1949.

Attest: RALPH R. ROBERTS,

Clerk.

81ST CONGRESS
1ST SESSION

H. R. 4177

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

APRIL 18 (legislative day, APRIL 11), 1949
Read twice and referred to the Committee on Appropriations

81st CONGRESS
1st SESSION

H. R. 4177

IN THE SENATE OF THE UNITED STATES

APRIL 21 (legislative day, APRIL 11), 1949
Referred to the Committee on Appropriations and ordered to be printed

AMENDMENTS

Intended to be proposed by Mr. THOMAS of Oklahoma to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, viz:

On page 57, lines 13 and 14, strike out the words "and which is determined by the Administrator to be" and insert in lieu thereof the words "which is".

On page 57, line 19, strike out the period and insert in lieu thereof a comma and the following: "when a certificate has been furnished by a veteran stating that such education or training is desired by him for use in connection with his present or contemplated business or occupation."

81ST CONGRESS
1ST SESSION

H. R. 4177

AMENDMENTS

Intended to be proposed by Mr. THOMAS of Oklahoma to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

APRIL 21 (legislative day, APRIL 11), 1949
Referred to the Committee on Appropriations and ordered to be printed

81ST CONGRESS
1ST SESSION

H. R. 4177

IN THE SENATE OF THE UNITED STATES

MAY 23, 1949

Referred to the Committee on Appropriations and ordered to be printed

AMENDMENTS

Intended to be proposed by Mr. LUCAS to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, viz:

On page 19, line 1, strike out "$15,500" and insert in lieu thereof "$16,700".

On page 19, line 3, before the period insert the following: "(including not to exceed $1,200 for administrative expenses in connection with the city of East Peoria sewage project)".

81ST CONGRESS
1ST SESSION

H. R. 4177

AMENDMENTS

Intended to be proposed by Mr. LUCAS to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

MAY 23, 1949

Referred to the Committee on Appropriations and ordered to be printed

81ST CONGRESS
1ST SESSION

H. R. 4177

IN THE SENATE OF THE UNITED STATES

JULY 8 (legislative day, JUNE 2), 1949
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. O'MAHONEY to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, viz:

On page 52, line 23, after the word "That" insert the following: "no part of this contract authority shall be used to start any new ship construction for which an estimate was not included in the budget for the current fiscal year, or to start any new ship construction the currently estimated cost of which exceeds by 10 per centum the estimated cost included therefor in such budget, unless the Director of the Bureau of the Budget specifically approves the start of such ship construction and the Director shall submit forthwith a

detailed explanation thereof to the Committees on Appropriations of the Senate and of the House of Representatives; and, as used herein, the term 'budget' includes the detailed justification supporting the budget estimates: *Provided further,* That".

81st CONGRESS
1st SESSION

H. R. 4177

AMENDMENT

Intended to be proposed by Mr. O'MAHONEY to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

JULY 8 (legislative day, JUNE 2), 1949
Ordered to lie on the table and to be printed

81ST CONGRESS
1ST SESSION

H. R. 4177

IN THE SENATE OF THE UNITED STATES

JULY 8 (legislative day, JUNE 2), 1949
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. O'MAHONEY to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, viz:

On page 10, line 5, strike out the period and insert a colon and the following: "*Provided further,* That no part of this appropriation or contract authorization shall be used—

"(A) to start any new construction project for which an estimate was not included in the budget for the current fiscal year;

"(B) to start any new construction project the currently estimated cost of which exceeds the estimated cost included therefor in such budget; or

"(C) to continue any community facility construction project whenever the currently estimated cost thereof exceeds the estimated cost included therefor in such budget;

unless the Director of the Bureau of the Budget specifically approves the start of such construction project or its continuation and a detailed explanation thereof is submitted forthwith by the Director to the Appropriations Committees of the Senate and the House of Representatives; the limitations contained in this proviso shall not apply to any construction project the total estimated cost of which does not exceed $500,000; and, as used herein, the term 'construction project' includes the purchase, alteration, or improvement of buildings, and the term 'budget' includes the detailed justification supporting the budget estimates: *Provided further,* That whenever the current estimate to complete any construction project (except community facilities) exceeds by 15 per centum the estimated cost included therefor in such budget or the estimated cost of a construction project covered by clause (A) of the foregoing proviso which has been approved by the Director, the Commission shall forthwith submit a detailed explanation thereof to the Director of the Bureau of the Budget and the Committees on Appropriations of the Senate and of the House of Representatives."

81ST CONGRESS
1ST SESSION

H. R. 4177

AMENDMENT

Intended to be proposed by Mr. O'MAHONEY to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

JULY 8 (legislative day, JUNE 2), 1949
Ordered to lie on the table and to be printed

81ST CONGRESS
1ST SESSION

H. R. 4177

IN THE SENATE OF THE UNITED STATES

JULY 8 (legislative day, JUNE 2), 1949
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. O'MAHONEY to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, viz: On page 63, after line 23, insert a new paragraph as follows:

SEC. 102. (a) No part of any appropriation contained in this title for the Atomic Energy Commission shall be used to confer a fellowship on any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence or with respect to whom the Attorney General finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and

loyalty of whom, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States: *Provided,* That any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence and accepts employment the salary, wages, stipend, or expenses for which are paid from any appropriation contained in this title shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law.

81ST CONGRESS
1ST SESSION

H. R. 4177

AMENDMENT

Intended to be proposed by Mr. O'MAHONEY to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

JULY 8 (legislative day, JUNE 2), 1949
Ordered to lie on the table and to be printed

Calendar No. 639

81st Congress, 1st Session | SENATE | Report No. 639

INDEPENDENT OFFICES APPROPRIATION BILL, 1950

JULY 8 (legislative day, JUNE 2), 1949.—Ordered to be printed

Mr. O'MAHONEY, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 4177]

The Committee on Appropriations, to whom was referred the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made.

Amount of bill as passed House	$7, 103, 506, 553. 00
Amount of increase by Senate (net)	532, 500, 320. 00
Amount of bill as reported to Senate	7, 636, 006, 873. 00
Amount of the appropriations, 1949	7, 791, 870, 750. 52
Amount of regular and supplemental estimates, 1950	8, 051, 343, 830. 00

The bill as reported to the Senate:

Under the estimates for 1950	415, 336, 957. 00
Under the appropriations for 1949	155, 863, 877. 52

The committee considered additional supplemental estimates in House Document 151 and Senate Documents 43, 44, 74, 78, and 79. The amounts of increase and decrease were as follows:

Document	Appropriation item	Increase	Decrease
House Doc. 151	Maritime Commission, training		$3,527,000
Senate Doc. 43	National Archives, war records	$200,000	
Senate Doc. 44	Veterans' Administration, grants to Republic of Philippines.	12,685,000	
Senate Doc. 74	Federal Housing Administration, use of funds for administrative purposes.	(1,000,000)	
Senate Doc. 78	Veterans' Administration	415,433,000	193,774,000
Senate Doc. 79	Housing Expediter	26,750,000	
	Total	455,068,000	197,301,000

Bureau of the Budget

The committee recommends $3,314,500 for salaries and expenses for the Bureau of the Budget as estimated in the budget. This amount represents an increase of $331,450 over the House allowance.

The committee is convinced that the Bureau is not overstaffed and that the money spent by this agency in helping to achieve economy and efficiency throughout the Government is returned many times over in the savings effectuated. The amount allowed will permit the Bureau to operate with the same number of personnel allowed during the fiscal year 1949.

Salaries of the Director of the Bureau of the Budget and certain other agency commissioners

The committee has stricken from the bill provisions which would establish salary increases for certain agency officials, as follows:

The Director of the Bureau of the Budget
Civil Service Commission
Federal Communications Commission
Federal Power Commission
Federal Trade Commission
Federal Works Agency:
    Commissioner of Public Buildings
    Commissioner of Public Roads
Securities and Exchange Commission

The committee is of the opinion that since there is now pending before the Congress a general pay increase for all top Government executives, the establishment of salaries for only a few would only serve to confuse the issue.

Council of Economic Advisers

The committee recommends $340,000 for the Council of Economic Advisers. This is the amount of the budget estimate and is $40,000 over the House bill.

The increase will provide for four additional personnel in the fields of banking and resource development. The committee is of the

opinion that in order for the Council to carry out its responsibilities to the President and the Joint Committee on the Economic Report effectively, the increased staff is justified.

American Battle Monuments Commission

The committee has recommended authority for the purchase of two additional automobiles.

Atomic Energy Commission

The committee agrees with the House allowance for the Atomic Energy Commission. In this connection the committee was unanimous in its wish to maintain the level of the programs of procuring and processing source and fissionable materials and of weapons production, as well as that portion of the reactor program dealing with military needs. In allocating the reductions the Commission is directed to make no change provided in the budget estimate for these programs.

In denying the request of the Atomic Energy Commission for the restoration of some of the reductions below the budget made by the House of Representatives, the committee does so in the belief that the funds here authorized shall be used primarily to procure and process those materials necessary for defense in such manner and such amounts as best to preserve national security. Curtailment of activity is thus recommended to be made in other fields of Commission operations, such as administration, community programs, biology and medicine, physical research, and to such aspects of reactor development as are not immediately necessary for national security.

It is the understanding of the committee that the Commission will attempt to present improved budget estimates for fiscal 1951 on a cost basis and reconciled with the data developed under the accrual system of accounting which is now being installed by the Commission. The committee has recommended a legislative amendment to provide a closer supervision by the Bureau of the Budget and the Appropriations Committees of the two Houses of cash and contract authority expended in construction. The committee is of the opinion that improvements contemplated by the Commission and provided by the proposed legislative amendment should provide for easier reference and present a clearer picture of the financial status of the Commission.

Civil Service Commission

The committee recommends an appropriation of $16,250,000 for salaries and expenses for this Commission for the fiscal year 1950. This sum is $1,270,000 below the budget estimate, and $2,250,000 above the House figure. It may be noted that the amount allowed is $211,000 below the total appropriation for 1949.

Within this appropriation, the committee has allowed $500,000 for allocation to the Federal Bureau of Investigation for investigative services in those departments and agencies where no such services exist. The committee has added language to the bill to permit the Commission to reimburse the Federal Bureau of Investigation for the performance of the added responsibility.

Also within the above appropriation, the committee has allowed $60,000 for carrying out duties delegated to the Commission under the Hatch Act. This figure is $20,000 below the estimate and $20,000 above the House allowance.

The committee was impressed by the testimony of the Commission as to the extent and quality of its work. It is the judgment of the members that good work can continue with the amounts allowed.

The committee has allowed the amount of the budget estimate for statutory obligations regarding retirement and disability funds as follows: Panama Canal construction annuity fund, $5,894,300; civil service retirement and disability fund, $328,393,000; Canal Zone retirement and disability fund, $999,000; and Alaska Railroad retirement and disability fund, $215,000. In the case of the Panama Canal construction disability fund, 800 adjudicated claims are now outstanding. The amount allowed by the House would permit payment of only 200 of these. It is the consensus of the committee that the payment of these claims constitutes a moral obligation upon the Government of the United States. Postponement of payment, which is the effect of the House cut, merely imposes hardships on the recipients of these adjudicated claims and in no wise lessens the responsibility of the Government. The other funds are determined actuarially and are likewise obligations. No real saving is effected by the House cut, merely postponement of Federal contributions.

Displaced Persons Commission

The committee has denied a request for an increase of $590,000 for the Commission for the 1950 fiscal year. In view of statements in the House report relative to the furnishing by the Army of 600 Counter Intelligence Corps agents without cost, and the expected substantial assistance in funds from the Germany economy budget, the committee feels that the sum allowed, with accruing experience and training of present personnel, will be sufficient.

The committee has also inserted language in the bill which will allow the Commission to purchase not to exceed 30 automobiles for its use which will facilitate its work in covering the areas in which it performs its functions.

Federal Communications Commission

The committee recommends $6,633,000 for this agency, which is the amount of the budget estimate. This sum represents an increase of $108,000 above the House figure, but is $84,000 under the 1949 appropriation.

Federal Power Commission

The committee has allowed this Commission the sum of $3,763,000, an amount $98,000 under the budget estimate, $156,550 below the total 1949 appropriation, but $113,000 above the House figure. Within this appropriation, the allowance for travel has been increased $10,000, bringing this item to the budget estimate of $230,000. The

limitation for expenditure for personal services in the District of Columbia has been deleted.

For flood-control surveys, the committee has allowed $337,000, which is $12,000 above the amount allowed by the House, but $13,200 below the budget estimate and $21,000 below the 1949 appropriations. Language limiting personal services in the District of Columbia has been stricken from the bill.

The committee feels certain that the above amounts allowed to the Commission will permit it to function effectively.

Federal Trade Commission

The sum of $3,639,000 is recommended by the committee for this Commission. This figure is $100,000 below the budget estimate, and $189,000 above the House allowance. It is hoped that with the amount allowed the Commission will not be hampered in the performance of its important regulatory duties.

Federal Works Agency

OFFICE OF THE ADMINISTRATOR

SALARIES AND EXPENSES

The committee recommends $325,000 for salaries and expenses for the Office of the Administrator. This amount is $25,000 over the House bill and $47,000 under the budget estimate.

The committee is of the opinion that the increase is necessary to provide adequate supervision and coordination of the programs of the agency.

LIQUIDATION OF PUBLIC WORKS ADMINISTRATION

The committee recommends $20,000, an increase of $4,500 over the amount provided in the House bill for the limitation in administrative expenses. The budget estimate was $3,690 under the amount provided in fiscal 1949. Within the increase allowed $1,200 has been earmarked for the East Peoria, Ill., sewage project.

CONSERVATION OF SECURITIES

The committee has provided $30,000, to be derived by transfer from the appropriation "Public Works Administration liquidation" in the Independent Offices Appropriation Act, 1949, for necessary expenses in connection with conservation of the Federal Government's interest in bonds and other obligations in custody of the Federal Works Administrator which were issued for the construction of Public Works Administration projects.

In denying the amount of the full request of $60,000 the committee has eliminated funds for fees of experts and consultants in the hope that such expenditures may be found not to be essential.

PUBLIC BUILDINGS ADMINISTRATION

SALARIES AND EXPENSES, PUBLIC BUILDINGS AND GROUNDS IN THE DISTRICT OF COLUMBIA AND ADJACENT AREA

The committee recommends $32,750,000 for salaries and expenses for public buildings and grounds in the District of Columbia and adjacent area. This amount is $1,850,000 under the budget estimate and $1,610,000 over the House bill. The committee feels that the amount recommended will permit the Public Buildings Administration to reduce the backlog of maintenance work on public buildings in addition to the performance of an adequate buildings management job.

SALARIES AND EXPENSES, PUBLIC BUILDINGS AND GROUNDS OUTSIDE THE DISTRICT OF COLUMBIA

The committee recommends $24,968,800 for salaries and expenses for public buildings and grounds outside the District of Columbia. This amount is $1,663,200 under the budget estimate and $1,000,000 over the House bill. The committee is of the opinion that the increase of $1,548,800 over appropriations for fiscal 1949 is necessary to provide sufficient funds for the administration to carry out effectively its assigned responsibilities.

PUBLIC ROADS ADMINISTRATION

FEDERAL AID POSTWAR HIGHWAYS

The committee recommends $390,000,000 for Federal aid postwar highways. This amount is $10,000,000 under the budget estimate and $16,509,000 over the House bill. The committee is of the opinion that the increase should be allowed in order to balance appropriations with the forecast of expenditures for fiscal year 1950, allowing for a carry-over of approximately $40,000,000.

BUREAU OF COMMUNITY FACILITIES

VETERANS' EDUCATIONAL FACILITIES

The committee has deleted the proviso in the House bill which would reduce the limitation for administrative expenses from $4,000,000 to $3,800,000. Testimony before the committee was to the effect that unless the proviso was eliminated, the Bureau would be $100,000 short of funds for fiscal 1949 as well as the $100,000 required to cover estimated obligations in fiscal 1950.

WATER-POLLUTION CONTROL

The committee has eliminated from the bill funds for plan preparation in the amount of $400,000, and administrative expenses in the amount of $100,000. The committee is of the opinion that this work can readily be postponed without serious consequences.

General Accounting Office

The amount of $34,169,000 has been allowed for personal services for this office. This sum is $1,101,000 below the budget estimate, and $2,426,000 above the House figure. It is identical with the amount for 1949.

The budget estimate of $1,582,000 has been allowed for miscellaneous expenses. This is an increase of $158,200 over the amount allowed by the House.

Testimony before the committee gave convincing evidence of the savings to the Federal Government which result from the operation of the office. The members of the committee are of the opinion that the same efficient service can be maintained under these appropriations.

AGENCY EXPENDITURE ANALYSIS

The committee recommends $800,000 to enable the General Accounting Office, as an arm of the Congress, to initiate a program of expenditure analysis in the executive branch of the Government as authorized and directed in section 206 of the Legislative Reorganization Act of August 2, 1946.

The Comptroller General is directed to collaborate with the Appropriation Committees of the Congress in the planning, execution, and review of the programs involved in his determination of whether public funds have been economically and efficiently administered and expended.

The committee recommends this amendment in the belief that section 206 of the act of August 2, 1946, provides an opportunity to effect economy by intelligent expenditure analysis concurrently with the expenditure of appropriated funds.

Housing and Home Finance Agency

OFFICE OF THE ADMINISTRATOR

The committee recommends insertion of language for the Office of the Administrator which gives specific authorization for personal services, payment of tort claims, printing and binding, and rent. The language is necessary due to the consolidation of the former Government Corporations Appropriation Act and the Independent Offices Appropriation Act.

FEDERAL HOUSING ADMINISTRATION

Salaries and Expenses

The committee recommends an authorization for the use of $22,860,750 from available funds for salaries and expenses. This amount is $639,250 under the revised budget estimate and $1,000,000 over the House bill. The committee feels that the amount recommended will be sufficient for the agency to carry out its increased responsibility under the Housing and Rent Act of 1949. (Public Law 31, 81st.)

PUBLIC HOUSING ADMINISTRATION

The committee recommends deletion of the language which would allow the Administrator of the Housing and Home Finance Agency to transfer title to temporary veterans housing to any State, county, city, or other public body. The committee feels that this legislative language should be considered by the legislative committee concerned along with the entire temporary housing problem. The committee was informed that there is pending legislation that would clear up this matter.

ANNUAL CONTRIBUTIONS

The committee has stricken from the bill language which provides that no funds appropriated to this agency shall be used to pay any public housing agency any contribution occasioned by payments in lieu of taxes in excess of the amount specified in the original contract. It is the understanding of the committee that this matter is being considered by the Congress in connection with general housing legislation.

Office of the Housing Expediter

The committee recommends an appropriation of $24,075,000 for this office, which is $2,675,000 below the budget estimate submitted in Senate Document 79. Although the work of the agency may increase to an appreciable degree, members of the committee are of the opinion that this amount which is over $1,000,000 above the appropriation for 1949 should provide for the increased responsibilities. This item was not considered by the House due to the date of the passage of legislation related to its area of responsibilities.

Interstate Commerce Commission

GENERAL EXPENSES

For this agency the committee recommends $9,621,000, which is $91,100 below the estimate and $300,000 above the House figure. Testimony before the committee indicated that a heavy backlog of applications which affect new business now exists in the Commission, which the committee feels should be reduced by this increased appropriation which will also permit limited expansion of other functions.

National Advisory Committee for Aeronautics

An appropriation for this agency of $43,610,000 has been recommended by the committee. This amount is $4,900,000 above the House figure and $5,090,000 below the budget estimate.

In making this appropriation the committee directs the National Advisory Committee for Aeronautics to make it a primary responsibility to coordinate its work completely with that of the Air Force and Navy, and to avoid any duplication of research work carried on by them.

The committee recommends for construction the amount of $10,100,000 cash, $100,000 of which is to be used to purchase Wallops

Island, Accomac County, Va. This sum exceeds the House figure by $100,000 and is $4,900,000 below the budget estimate.

National Archives

The committee recommends $150,000, which is $50,000 below the budget estimate, for the purpose of providing salaries and expenses for the National Archives to process and accession records from World War II. This is a new item, submitted in Senate Document No. 43, and was not considered by the House.

National Capital Park and Planning Commission

LAND ACQUISITION

The committee has raised the limitation on noncontract personal services for the Commission from $25,000 to $29,000.

DISTRICT OF COLUMBIA PROJECT PLANNING

The committee recommends $50,000 for the District of Columbia project planning. This amount is $23,700 below the budget estimate and $30,000 over the House bill.

The committee has eliminated $20,000 requested for printing and binding and directs the Commission to submit a master plan for slum clearance in accordance with the act of August 2, 1946, on or before May 1, 1950, to the Senate and House Committees on Appropriations.

National Capital Housing Authority

The committee recommends an appropriation of $34,900, which is the budget estimate, and an amount $3,490 above the House figure, for the housing authority for needed repairs of properties under its supervision.

National Gallery of Art

An appropriation of $1,087,700, which is the budget figure and $30,000 above the House figure, has been recommended for the National Gallery.

Selective Service System

For this Commission the committee recommends $9,000,000. This amount is $7,700,000 below the budget estimate, and $4,500,000 above the House bill. It is the amount allowed by the House committee.

The committee believes that the amount allowed to the Selective Service System will permit it to function effectively on a stand-by basis.

United States Tariff Commission

The committee has allowed an appropriation of $1,275,000 for this Commission. This amount is $75,000 below the budget estimate and $75,000 above the amount provided in the House bill. The members

of the committee are of the opinion that the sum allowed should be sufficient for the present duties of the Commission.

United States Maritime Commission

The committee has allowed an appropriation for salaries and expenses for the Maritime Commission of $63,054,424. This amount is $9,086,966 below the budget estimate, and $674,000 above the House figure. These increases are to be applied as follows: for "Maintenance of shipyard facilities," $34,000; for "Operation of warehouses," $40,000; for "Reserve fleet expense," $600,000. It is the opinion of the members of the committee that the Commission can operate efficiently as to its other divisions with the amounts allowed by the House.

For contract authority for ship construction and betterment for the ensuing fiscal year, the committee has allowed $50,000,000. This figure is $32,500,000 below the budget estimate and $20,125,000 below the House figure.

The Senate committee has taken note of the report of the House committee concerning the ships *Mariposa* and *Monterey*. This committee wishes to stress that the Maritime Commission, with its discretionary power, should protect the interests of the United States in all such negotiations.

On the item of replacement of freight elevators at the Philadelphia Army base the committee took no action since no budget estimate had been submitted by the Commission.

The committee recommends an appropriation of $3,151,050 for the maritime training fund. This amount is the same as that allowed by the House committee, and is a decrease of $3,434,950 below the House bill as passed. This will eliminate the funds for pay of cadet midshipmen, placing them in the same category in this respect as trainees under the maritime service program. In reducing administrative personnel, the committee has taken cognizance of the fact that the above reduction will decrease enrollment at the schools, thus the amount allowed for staff will be adequate. Testimony has also been presented to the committee that the employment picture for seamen is not too bright, and the members have no wish to increase unemployment at Federal expense.

Veterans' Administration

Of a total increase for salaries and expenses of $48,806,060 requested by this Administration, the committee allowed the sum of $24,400,000. This is $24,406,060 below the revised budget estimate for this item. With these additional funds it is the opinion of the committee that the staffing and servicing of the hospital program of the Administration can be carried on with increasing efficiency, together with the other programs of the Administration.

The attention of the Administrator is called to the necessity of maintaining adequate contact service in those sparsely settled areas of the country where, should the service be discontinued, it would be necessary for the veteran to travel an undue distance for advice. The

Administrator is directed, in such areas, to provide either sufficient contact officers or adequate itinerant service.

The committee has also inserted language which provides for at least one readjustment allowance representative in each State.

With respect to the following items the committee recommends no change from the House allowances but since it considers them uncontrollable and subject to variations, it suggests that if figures submitted by the Veterans' Administration prove to be correct, rather than those upon which this action is taken, the Administration may ask for additional funds in a deficiency appropriation: Pensions; readjustment benefits; military and naval insurance; veterans' miscellaneous benefits.

This committee has seen fit to include in its recommendations the revised estimate of the Veterans' Administration for $467,450,000 to be transferred to the national service life insurance trust fund. This is an actuarial determination of the financial responsibility of the United States in the matter of payments of benefits and dividends due under the National Service Life Insurance Act of 1940 and as amended. The above amount is needed to make this trust fund solvent. The committee considers this repayment an obligation on the part of the Federal Government.

In regard to the payment of dividends on national service life insurance, the committee recommends that current policyholders entitled to dividends be advised that such dividends may be credited against future premiums in lieu of a cash payment. However, in cases of those individuals whose policies have lapsed or have been dropped voluntarily, the cash payment of the dividend would be made. The committee further recommends that the Veterans' Administration continue to utilize to the most practicable extent in its work on the actual payment of dividends the force now being used in the preliminary work. The committee has added language in the bill which will prohibit the payment of dividends to those policyholders for whom the United States Government has, because of extra hazards, paid the premiums, and will further prohibit payment of part of the dividends to policyholders for whom the United States has paid part of the premiums, in proportion to the amount thus paid.

In the matter of the request for funds for construction and equipping of hospitals for, and expenses incident to medical treatment and care of veterans in the Philippines, the committee took the position that it should await further study and report from the Veterans' Administration. When this information is at hand, more considered action will be possible.

READJUSTMENT BENEFITS

FLIGHT TRAINING

The committee heard numerous complaints in regard to the administration of the proviso regarding flight training. It was indicated that the interpretation of the limitation respecting recreational and avocational courses had prevented many veterans from pursuing courses in aviation which it would appear were necessary for their

present or contemplated business. The committee has recognized the situation and has included language which it believes will permit bona fide vocational training and at the same time retain adequate control of costs.

General Provisions

The committee recommends language to replace section 3, title I and section 203, title II which would allow more flexibility in the determination of the number of employees in personnel work for the various agencies covered by this appropriation. It would permit the Bureau of the Budget to be the determinant of the number in the light of the functions performed by each agency. It was the opinion of the committee from testimony adduced from a number of agencies, that the ratio of 1 personnel officer to 125 employees was not applicable in any realistic sense to all agencies, representing as they do varying types of work, and carrying widely differing responsibilities. It was felt that the work of the agency and the location of its facilities were the determining factors in this question.

The committee has inserted a new section, section 112, under title I which exempts the Housing and Home Finance Agency, the Inland Waterways Corporation, and the Tennessee Valley Authority from all the provisions under the head, "Independent offices—general provisions" except section 102 therein. This is a technical amendment made necessary by the inclusion in the 1950 bill of those agencies and corporations formerly carried in the Government corporations bill. It is an attempt to effect uniformity of application of the general provisions heretofore applicable to agencies and corporations carried in titles I and II of the bill.

Section 303 which deals with per diem travel allowances has been stricken from the present bill since it would be in conflict with existing legislation. The Travel Expense Act of 1949, approved June 9, 1949, provides for such allowances in excess of amounts allowed in this section.

The changes recommended by the committee in the amounts of the House bill are as follows:

INCREASES AND LIMITATIONS

Executive Office of the President:	
Bureau of the Budget: Salaries and expenses	$331,450
It is recommended by the committee that the following language be stricken from the bill: , including the salary of the Director at $12,000 per annum so long as the position is held by the present incumbent	
Council of Economic Advisers: Salaries and expenses	40,000
Total, Executive Office of the President	371,450

INCREASES AND LIMITATIONS—Continued

Independent Offices:

American Battle Monuments Commission:

In regard to the purchase of automobiles the committee recommends the following language be stricken from the bill:

one

and the following be inserted:

*three * * *, including one at not to exceed $2,500*

Atomic Energy Commission:

The committee recommends a language change to make prior years balances available by striking out:

unobligated balances

and inserting:

unexpended balances as of June 30, 1949

Civil Service Commission:

Salaries and expenses	$2,250,000

The committee recommends the following language be stricken from the bill:

, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents

The committee recommends an increase of $20,000 in the limitation for performance of duties under the Hatch Act.

The committee further recommends adding the following language:

not to exceed $500,000 for allocation to the Federal Bureau of Investigation as required for investigation of applicants for certain positions when requested by the head of the department or agency concerned in cases where the department or agency concerned does not maintain its own investigative staff;

Panama Canal construction annuity fund	589,430
Civil service retirement and disability fund	32,839,300
Canal Zone retirement and disability fund	99,900
Alaska Railroad retirement and disability fund	21,500
Total, Civil Service Commission	35,800,130

Displaced Persons Commission:

The committee recommends adding the following language concerning purchase of automobiles:

purchase (not to exceed thirty), and

Federal Communications Commission:

Salaries and expenses	108,000

The committee recommends deletion of the following language:

including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents,

INCREASE AND LIMITATIONS—Continued

Independent Offices—Continued

Federal Power Commission:

Salaries and expenses $113,000

The committee recommends an increase of $10,000 in the limitation for travel, and deletion of the limitation for personal services in the District of Columbia by striking out:

not to exceed $2,122,000 shall be available for personal services in the District of Columbia exclusive of

and inserting:

shall be available

The committee recommends deletion of the following:

, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents

Flood control surveys 12,000

The committee recommends deletion of the following:

, of which amount not to exceed $130,000 shall be available for personal services in the District of Columbia

Total, Federal Power Commission 125,000

Federal Trade Commission:

Salaries and expenses 189,000

The committee recommends deletion of the following:

, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents

Federal Works Agency:

Office of the Administrator 25,000

Public Works Administration liquidation:

The committee recommends an increase of $4,500 in the funds available for administrative expenses and the addition of the following:

including not to exceed $1,200 for administrative expenses in connection with the city of East Peoria sewage project

Conservation of securities:

The committee recommends adding the following language:

Conservation of securities: For expenses necessary for the conservation of the Federal Government's interest in bonds and other obligations in the custody of the Federal Works Administrator, issued for the construction of Public Works Administration projects, including personal services in the District of Columbia and travel expenses; $30,000, to be derived by transfer from the appropriation for "Public Works Administration liquidation" in the Independent Offices Appropriation Act, 1949.

INCREASE AND LIMITATIONS—Continued

Independent Offices—Continued	
Federal Works Agency—Continued	
Public Buildings Administration:	
The committee recommends deletion of the following:	
, including the salary of the Commissioner of Public Buildings at $12,000 per annum long as the position is held by the present incumbent	
Public buildings and grounds in the District of Columbia and adjacent area: Salaries and expenses	$1,610,000
Public buildings and grounds outside the District of Columbia: Salaries and expenses	1,000,000
Public Roads Administration:	
The committee recommends deletion of the following:	
including the salary of the Commissioner of Public Roads at $12,000 per annum so long as the position is held by the present incumbent, and	
Federal aid postwar highways	16,509,000
Bureau of Community Facilities:	
Veterans educational facilities:	
The committee recommends the deletion of the following:	
: *Provided*, That the foregoing limitation of $4,000,000 for administrative expenses is reduced to $3,800,000	
Total, Federal Works Agency	19,144,000
General Accounting Office:	
Salaries	2,426,000
Miscellaneous expenses	158,200
Agency expenditure analysis	800,000
The committee recommends adding the following language:	
Agency expenditure analysis: For necessary expenses to carry out the provisions of section 206 of the Act of August 2, 1946 (Public Law 601), including personal services in the District of Columbia or elsewhere, printing and binding, and the procurement of services authorized by section 15 of the Act of August 2, 1946 (Public Law 600), $800,000 to be immediately available: Provided, That the Comptroller General of the United States is authorized to employ all personnel under this appropriation without regard to the civil-service laws, rules, and regulations.	
Total, General Accounting Office	3,384,200

INCREASES AND LIMITATIONS—Continued

Independent Offices—Continued

Housing and Home Finance Agency:

Office of the Administrator:

The committee recommends deletion of the following:

Salaries and expenses: For necessary expenses of the Office of the Administrator, including a health service program as authorized by law (5 U. S. C. 150),

and insertion of:

Salaries and expenses: For necessary expenses of the Office of the Administrator, including personal services and rent in the District of Columbia; printing and binding; services as authorized by section 15 of the Act of August 2, 1947 (5 U. S. C. 55a); expenses of attendance at meetings of organizations concerned with the work of the Agency; payment of tort claims pursuant to law (28 U. S. C. 2672); a health service program as authorized by law (5 U. S. C. 150); purchase of one passenger motor vehicle for replacement; and dissemination of the results of research and studies undertaken pursuant to title III of the Housing Act of 1948, notwithstanding the provisions of 39 U. S. C. 321b;

Federal Housing Administration:

The committee recommends an increase of $1,000,000 in the authorization for use of funds available for expenses.

Public Housing Administration:

The committee recommends deletion of the following in title II:

: *Provided further*, That the Administrator of the Housing and Home Finance Agency may relinquish and transfer, pursuant to the same general terms and conditions specified in subsections 505 (a) and (b) of the Act of October 14, 1940, as added by the Act of June 28, 1948 (Public Law 796), title to temporary housing provided for certain veterans and their families under title V of said Act of October 14, 1940, as amended, to any State, county, city, or other public body: *Provided further*, That any application for such relinquishment and transfer shall be filed with the Administrator within one hundred and twenty days after the approval of this Act

and deletion of the following in title I:

Provided further, That no part of this appropriation shall be used to pay any public housing agency any contribution occasioned by payments in lieu of taxes in excess of the amount specified in the original contract between such agency and the Public Housing Administration or its predecessor agencies:

INCREASES AND LIMITATIONS—Continued

Independent Offices—Continued

Office of the Housing Expediter $24,075,000

The committee recommends insertion of the following:

Salaries and expenses, Office of the Housing Expediter: For expenses necessary to carry out the functions of the Office of the Housing Expediter, including personal services in the District of Columbia; attendance at meetings of organizations concerned with rent control; hire of passenger motor vehicles; printing and binding; purchase of newspapers (not to exceed $10,000); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); not to exceed $5,000 for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and health service program as authorized by law (5 U. S. C. 150); $24,075,000: Provided, That as to cases involving the functions transferred to the Office of the Housing Expediter by Executive Order 9841, section 204 (e) of the Emergency Price Control Act of 1942, as amended, shall be considered as remaining in full force and effect during fiscal year 1950.

Interstate Commerce Commission:

General expenses 300,000

National Advisory Committee for Aeronautics:

Salaries and expenses 4,900,000

Construction and equipment 100,000

The committee recommends the following language be inserted:

including the acquisition of that part of Wallops Island, Accomac County, Virginia, not presently owned by the Government, and not to exceed one acre in the vicinity of Wallops Island, Accomac County, Virginia, adjoining land heretofore acquired by the Government,

Total, National Advisory Committee for Aeronautics 5,000,000

National Archives:

Salaries and expenses 150,000

The committee recommends the following language be inserted:

Salaries and expenses, war records: For expenses necessary for the preparation of guides and other finding aids to records of the Second World War, including personal services in the District of Columbia; arranging, titling, scoring, processing, editing, duplication, reproduction, and authentication of photographic and other records (including motion-picture and other films and sound recordings); printing and binding; a health service program as authorized by law (5 U. S. C. 150); and payment of tort claims pursuant to law (28 U. S. C. 2672); $150,000, of which not to exceed $15,000 shall be available immediately.

INCREASES AND LIMITATIONS—Continued

Independent Offices—Continued

National Capital Housing Authority:

Maintenance and operation of title I properties $3,490

National Capital Park and Planning Commission:

Land acquisition, National Capital and metropolitan area:

The committee recommends deletion of the following:

: *Provided*, That not exceeding $25,000 of funds available during the current fiscal year may be used for personal services.

and insertion of the following:

: *Provided, That not exceeding $29,000 of the funds available under the above appropriation during the current fiscal year may be used for regular and part-time personal services of the Commission, excepting services by contract*

District of Columbia redevelopment project planning 30,000

In recommending an increase of $30,000 in this appropriation, the committee recommends that the following language be deleted from the bill:

District of Columbia redevelopment project planning: For printing and binding of a comprehensive plan prepared in accordance with the Act of August 2, 1946 (60 Stat. 790), $20,000.

and that the following provision be inserted in lieu thereof:

District of Columbia redevelopment project planning: For the preparation of a comprehensive plan to be prepared in accordance with the Act of August 2, 1946 (60 Stat. 790), $50,000.

Securities and Exchange Commission:

The committee recommends deletion of the following language:

, including salaries of the commissioners at $12,000 each per annum so long as the positions are held by the present incumbents

Selective Service System:

Salaries and expenses 4,500,000

Smithsonian Institution:

National Gallery of Art: Salaries and expenses 30,000

United States Tariff Commission: Salaries and expenses 75,000

INCREASES AND LIMITATIONS—Continued

Independent Offices—Continued

United States Maritime Commission: Salaries and expenses $674,000

The increase is allocated as follows:

Maintenance of shipyard facilities	$34,000
Operation of warehouses	40,000
Reserve fleet expense	600,000
Total increase	674,000

Veterans' Administration:

Administration, medical, hospital and domiciliary services 24,400,000

The committee recommends that the following proviso be amended as indicated:

: *Provided further,* That hereafter the Administrator shall assign as his representatives, as provided for in the last sentence of section 1100 (a) of the Servicemen's Readjustment Act of 1944 (38 U. S. C. 696f), only such numbers of regional or sectional representatives as he finds necessary to provide for the processing of readjustment allowances in an efficient and economical manner ~~and any such representative may be assigned to one or more States (without regard to residence in any State to which assigned) as may be necessary to carry out the intent of this proviso~~*: Provided further, That at least one of such representatives shall be assigned to and reside in each State*

Readjustment benefits:

The committee recommends the following changes in language in regard to flight training:

strike out:

shall not be considered avocational or recreational

and insert:

shall not, in the absence of substantial evidence to the contrary, be considered avocational or recreational when a certificate, in the form of an affidavit supported by two corroborating affidavits, has been furnished by a physically qualified veteran stating that such education or training is desired by him for use in connection with his present or contemplated business or occupation

National service life insurance 418,076,000

The committee recommends that the following proviso be added to the bill:

: Provided further, That no part of this fund shall be used to pay insurance dividends to any policyholder whose premiums were paid by the United States Government and that such dividends that may accrue shall be deposited in the Treasury as miscellaneous receipts

Total, Veterans' Administration 442,476,000

INCREASES AND LIMITATIONS—Continued

Independent Offices—Continued

General provisions:

The committee recommends the deletion of the following language in section 107:

: *Provided further,* That this section shall not be applicable to corporations or agencies subject to the Government Corporation Control Act, as amended

and insertion in lieu thereof:

SEC. 111. None of the sections under the head "Independent offices—general provisions" in this title, except section 102, shall apply to the Housing and Home Finance Agency, the Inland Waterways Corporation, or the Tennessee Valley Authority.

The committee recommends the deletion of section 108 as follows:

SEC. 108. Where provision is made in this title specifically setting forth the salary of any officer or employee, such salary rate shall be effective immediately upon the passage of this Act.

The committee recommends deletion of section 111 of the general provisions of title I as follows:

SEC. 111. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and twenty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided,* That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

and insertion in lieu thereof the following:

SEC. 110. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel services when the ratio of positions for personnel services to the number of full-time, part-time and intermittent positions which can be financed under funds available to the agency concerned exceeds such ratio as is determined by the Bureau of the Budget to be necessary for the proper performance of the personnel services of the agency: Provided, That this prohibition shall apply to employees who devote 50 percent or more of their time to administrative services and all or a portion of that time to personnel services performed for civilian employees in the continental United States, comprising direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

INCREASES AND LIMITATIONS—Continued

Independent Offices—Continued
General provisions—Continued

The committee also recommends the deletion of similar language appearing in section 203 of the general provisions of title II, and the insertion in lieu thereof the following:

SEC. 203. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel services when the ratio of positions for personnel services to the number of full-time, part-time and intermittent positions which can be financed under funds available to the agency concerned exceeds such ratio as is determined by the Bureau of the Budget to be necessary for the proper performance of the personnel services of the agency: Provided, That this prohibition shall apply to employees who devote 50 percent or more of their time to administrative services and all or a portion of that time to personnel services performed for civilian employees in the continental United States, comprising direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

Total increase, Independent Offices	$536,063,820
Total increases	536,435,270

DECREASES AND LIMITATIONS

Independent offices:
Federal Works Agency:
Bureau of Community Facilities:

The committee recommends the deletion of the following:

Grants for plan preparation, water pollution control: For grants to States, municipalities, or interstate agencies to aid in financing the cost of action preliminary to the construction of projects for water pollution control as authorized by section 8 (c) of the Water Pollution Control Act of June 30, 1948 (62 Stat. 1155), $400,000 — 400,000

Administrative expenses, water pollution control: For expenses necessary to carry out the administrative functions of the Federal Works Agency under the provisions of the Water Pollution Control Act of June 30, 1948 (62 Stat. 1155), as authorized by section 8 (e) of said Act, including personal services in the District of Columbia; travel; hire of passenger motor vehicles; health service programs as authorized by law (5 U. S. C. 150); and exchange of books; $100,000 — 100,000

Total, Federal Works Agency	500,000

DECREASES AND LIMITATIONS—Continued

Independent Offices—Continued

United States Maritime Commission:

New ship construction, contract authority:

The committee recommends a decrease of $20,125,000 in contract authority.

Maritime training $3,434,950

General provisions:

The committee recommends the deletion of section 303, as follows:

SEC. 303. Appropriations for the executive departments and independent establishments for the current fiscal year available for travel expenses shall be available for the payment of per diem allowances in lieu of subsistence expenses without regard to the Subsistence Expense Act of 1926, as amended (5 U. S. C. 821–833), to civilian officers and employees of such departments and establishments while traveling on official business outside the continental limits of the United States and away from their designated posts of duty: *Provided*, That the amount of such allowances shall be determined by the head of the department or independent establishment concerned or by such official as he may designate for the purpose, but shall, in no case, notwithstanding any other provision of law, exceed the maximum established by regulations prescribed by the President for the locality in which the travel is performed.

Total decreases 3,934,950

Total increase	536,435,270
Total decrease	3,934,950
Net increase	532,500,320
Amount of bill as reported to the Senate	7,636,006,873

COMPARATIVE STATEMENT SHOWING THE APPROPRIATIONS FOR 1949, THE ESTIMATES FOR 1950, THE BILL AS PASSED THE HOUSE, THE SENATE RECOMMENDATIONS IN ACCOMPANYING BILL, THE INCREASES OR DECREASES PROPOSED IN SENATE BILL AS COMPARED WITH THE CURRENT APPROPRIATIONS AND THE INCREASES OR DECREASES PROPOSED IN THE BILL COMPARED WITH THE BUDGET ESTIMATES, AND THE HOUSE BILL

Object	Appropriations, 1949	Budget estimates, 1950	Recommended in House bill for 1950	Amount recommended by Senate committee	Increase (+) or decrease (−) Senate committee bill compared with—		
					Appropriations, 1949	Estimates, 1950	House bill
EXECUTIVE OFFICE OF THE PRESIDENT							
Compensation of the President	$108,437.52	[1] $150,000	$150,000	$150,000	+$41,562.48		
The White House Office:							
Salaries and expenses	969,612.00	1,375,140	1,375,140	1,375,140	+405,528.00		
Emergency personal services	200,000.00				−200,000.00		
Total, White House Office	1,169,612.00	1,375,140	1,375,140	1,375,140	+205,528.00		
Emergency fund for the President, including disaster relief	1,700,000.00	1,000,000	1,000,000	1,000,000	−700,000.00		
Executive Mansion and grounds	244,200.00	260,400	260,400	260,400	+16,200.00		
Bureau of the Budget:							
Salaries and expenses	3,158,500.00	3,314,500	2,983,050	3,314,500	+156,000.00		+$331,450
Printing and binding	122,000.00	[2]			−122,000.00		
Total, Bureau of the Budget	3,280,500.00	3,314,500	2,983,050	3,314,500	+34,000.00		+331,450
Council of Economic Advisers, salaries and expenses	310,300.00	340,000	300,000	340,000	+29,700.00		+40,000

[1] Includes $75,000 in H. Doc. No. 40. Includes an expense allowance at the rate of $50,000 per annum.
[2] Consolidated with preceding item.

Comparative statement showing the appropriations for 1949, the estimates for 1950, the bill as passed the House, the Senate recommendations in accompanying bill, the increases or decreases proposed in Senate bill as compared with the current appropriations and the increases or decreases proposed in the bill compared with the budget estimates, and the House bill—Continued

Object	Appropriations, 1949	Budget estimates, 1950	Recommended in House bill for 1950	Amount recommended by Senate committee	Increase (+) or decrease (−) Senate committee bill compared with—		
					Appropriations, 1949	Estimates, 1950	House bill
EXECUTIVE OFFICE OF THE PRESIDENT—continued							
Office for Emergency Management:							
Philippine Alien Property Administration, administrative expenses	[3]	[4]	[5]	[5]			
Total, Executive Office of the President	$6,813,049.52	$6,440,040	$6,068,590	$6,440,040	−$373,009.52		+$371,450
AMERICAN BATTLE MONUMENTS COMMISSION							
Salaries and expenses	355,000.00	758,000	644,300	644,300	+289,300.00	−$113,700	
Construction of memorials and cemeteries	[6] 723,500.00	[7] 5,276,500	[7] 5,276,500	[7] 5,276,500	+4,553,000.00		
Total, American Battle Monuments Commission	1,078,500.00	6,034,500	5,920,800	5,920,800	+4,842,300.00	−113,700	
ATOMIC ENERGY COMMISSION	[8] 621,850,000.00	[9] 740,000,000	[10] 702,930,769	[10] 702,930,769	+81,080,769.00	−37,069,231	
CIVIL SERVICE COMMISSION							
Salaries and expenses	16,461,000.00	17,520,000	14,000,000	16,250,000	−211,000.00	−1,270,000	+2,250,000
Panama Canal construction fund	2,259,098.00	5,894,300	5,304,870	5,894,300	+3,635,202.00		+589,430
Civil-service retirement and disability fund	224,000,000.00	328,393,000	295,553,700	328,393,000	+104,393,000.00		+32,839,300
Canal Zone retirement and disability fund	1,177,000.00	999,000	899,100	999,000	−178,000.00		+99,900
Alaska Railroad retirement and disability fund	217,000.00	215,000	193,500	215,000	−2,000.00		+21,500
Total, Civil Service Commission	244,114,098.00	353,021,300	315,951,170	351,751,300	+107,637,202.00	−1,270,000	+35,800,130
DISPLACED PERSONS COMMISSION	[11] 3,200,000.00	5,200,000	4,210,000	4,210,000	+1,010,000.00	−990,000	

FEDERAL COMMUNICATIONS COMMISSION							
Salaries and expenses	6,677,000.00	6,633,000	6,525,000	6,633,000	−44,000.00		+108,000
Printing and binding	40,000.00	(12)			−40,000.00		
Total, Federal Communications Commission	6,717,000.00	6,633,000	6,525,000	6,633,000	−84,000.00		+108,000
FEDERAL POWER COMMISSION							
Salaries and expenses	3,859,550.00	3,861,000	3,650,000	3,763,000	−96,550.00	−98,000	+113,000
Flood-control surveys	358,000.00	350,200	325,000	337,000	−21,000.00	−13,200	+12,000
Printing and binding	60,000.00	(13)			−60,000.00		
Total, Federal Power Commission	4,277,550.00	4,211,200	3,975,000	4,100,000	−177,550.00	−111,200	+125,000
FEDERAL TRADE COMMISSION							
Salaries and expenses	3,574,510.00	3,739,000	3,450,000	3,639,000	+64,490.00	−100,000	+189,000
Printing and binding	46,525.00	(12)			−46,525.00		
Total, Federal Trade Commission	3,621,035.00	3,739,000	3,450,000	3,639,000	+17,965.00	−100,000	+189,000
FEDERAL WORKS AGENCY							
Office of the Administrator	353,540.00	372,000	300,000	325,000	−28,540.00	−47,000	+25,000
Public Works Administration liquidation	(14)	(15)	(15)	(15)			
Conservation of securities				(15a)			
Penalty mail costs	28,800.00				−28,800.00		

[3] Not to exceed $440,000 for administrative expenses payable from funds available from operations.
[4] Not to exceed $270,000 for administrative expenses payable from funds available from operations.
[5] Not to exceed $250,000 for administrative expenses payable from funds available from operations.
[6] And contract authorization of $1,276,500.
[7] And contract authorization of $5,000,000.
[8] And contract authorization of $400,000,000.
[9] And contract authorization of $427,000,000.
[10] And unobligated balances of prior year appropriations; and contract authority of $387,189,628.
[11] Contained in Second Deficiency Appropriation Act, 1948.
[12] Consolidated with preceding item.
[13] Consolidated with two preceding items.
[14] Funds heretofore provided continued available until June 30, 1949.
[15] Funds heretofore provided continued available until June 30, 1950.
[15a] $30,000, to be derived by transfer from the appropriation for "Public Works Administration liquidation" in the Independent Offices Appropriation Act, 1949.

Comparative statement showing the appropriations for 1949, the estimates for 1950, the bill as passed the House, the Senate recommendations in accompanying bill, the increases or decreases proposed in Senate bill as compared with the current appropriations and the increases or decreases proposed in the bill compared with the budget estimates, and the House bill—Continued

Object	Appropriations, 1949	Budget estimates, 1950	Recommended in House bill for 1950	Amount recommended by Senate committee	Increase (+) or decrease (−) Senate committee bill compared with—		
					Appropriations, 1949	Estimates, 1950	House bill
FEDERAL WORKS AGENCY—continued							
Damage claims	$10,000.00				−$10,000.00		
Total, Office of the Administrator	392,340.00	$372,000	$300,000	$325,000	−67,340.00	−$47,000	+$25,000
Public Buildings Administration:							
General administrative expenses	2,260,500.00	2,160,000	[16] 1,763,000	[16] 1,763,000	−497,500.00	−397,000	
Repair, preservation, and equipment, public buildings outside District of Columbia	10,000,000.00	10,000,000	10,000,000	10,000,000			
Salaries and expenses, public buildings and grounds in District of Columbia	33,715,000.00	34,600,000	31,140,000	32,750,000	−965,000.00	−1,850,000	+1,610,000
Salaries and expenses, public buildings and grounds outside District of Columbia	23,420,000.00	26,632,000	23,968,800	24,968,800	+1,548,800.00	−1,663,200	+1,000,000
National industrial reserve	[17] 5,000,000.00	15,000,000	12,500,000	12,500,000	+7,500,000.00	−2,500,000	
Executive Mansion remodeling	2,000,000.00				−2,000,000.00		
Hospital center, District of Columbia	[18] 500,000.00				−500,000.00		
Geophysical institute, Alaska	[19] 100,000.00	875,000	875,000	875,000	+775,000.00		
Buildings and facilities, Cincinnati, Ohio	[20] 200,000.00				−200,000.00		
General Accounting Office Building, District of Columbia		5,000,000	5,000,000	5,000,000	+5,000,000.00		
Federal Courts Building, District of Columbia		5,000,000	5,000,000	5,000,000	+5,000,000.00		

Improvement of post-office facilities, Los Angeles, Calif	[20] 1,000,000.00				−1,000,000.00		
Total, Public Buildings Administration	78,195,500.00	99,267,000	90,246,800	92,856,800	+14,661,300.00	−6,410,200	+2,610,000
Public Roads Administration:							
Elimination of grade crossings	7,300,000.00				−7,300,000.00		
Federal aid, postwar highways	427,288,854.00	400,000,000	[21] 373,491,000	[21] 390,000,000	−37,288,854.00	−10,000,000	+16,509,000
Forest highways	12,800,000.00	23,500,000	22,500,000	22,500,000	+9,700,000.00	−1,000,000	
Testing and research laboratory	1,000,000.00				−1,000,000.00		
Access roads	([22])	([22])	([22])	([22])			
Total, Public Roads Administration	448,388,854.00	423,500,000	395,991,000	412,500,000	−35,888,854.00	−11,000,000	+16,509,000
BUREAU OF COMMUNITY FACILITIES							
Public works advance planning		([23])	([23])	([23])			
Public works advance planning liquidation	([24])	([25])	([25])	([25])			
Virgin Islands public works	896,250.00	800,000	680,000	680,000	−216,250.00	−120,000	
Maintenance and operation of schools	[26] 6,000,000.00				−6,000,000.00		
War public works (community facilities) liquidation	([27])	([28])	([28])	([28])			

[16] And the unobligated balance of funds appropriated for the return of departmental functions to the seat of government in the "Independent Offices Appropriation Act, 1948."
[17] And contract authorization for $5,000,000.
[18] And contract authorization for $19,500,000.
[19] And contract authorization for $875,000.
[20] Contained in Second Deficiency Appropriation Act, 1948.
[21] And $1,509,000 of the unobligated balance of funds heretofore appropriated for access roads.
[22] Not to exceed $70,000 made available for maintenance of roads and bridges in Arlington County, Va
[23] Unexpended balances on June 30, 1949, continued available until June 30, 1950.
[24] Not to exceed $675,000 of unobligated balance continued available until June 30, 1949.
[25] Not to exceed $350,000 of unobligated balance continued available.
[26] Contained in Second Deficiency Appropriation Act, 1948.
[27] Not to exceed $337,000 of unobligated balances made available.
[28] Not to exceed $175,000 of unobligated balances made available.

Comparative statement showing the appropriations for 1949, the estimates for 1950, the bill as passed the House, the Senate recommendations in accompanying bill, the increases or decreases proposed in Senate bill as compared with the current appropriations and the increases or decreases proposed in the bill compared with the budget estimates, and the House bill—Continued

Object	Appropriations, 1949	Budget estimates, 1950	Recommended in House bill for 1950	Amount recommended by Senate committee	Increase (+) or decrease (−) Senate committee bill compared with—		
					Appropriations, 1949	Estimates, 1950	House bill
BUREAU OF COMMUNITY FACILITIES—continued							
Veterans' educational facilities	[29]	[30]	[30] [31]	[30]			
Grants for plan preparation, water pollution control		$500,000	$400,000			−$500,000	−$400,000
Administrative expenses, water pollution control	$75,000.00	150,000	100,000		−$75,000.00	−150,000	−100,000
Total, Bureau of Community Facilities	6,971,250.00	1,450,000	1,180,000	$680,000	−6,291,250.00	−770,000	−500,000
Total, Federal Works Agency	533,947,944.00	524,589,000	487,717,800	506,361,800	−27,586,144.00	−18,227,200	+18,644,000
GENERAL ACCOUNTING OFFICE							
Salaries	34,059,000.00	35,270,000	31,743,000	34,169,000	+110,000.00	−1,101,000	+2,426,000
Miscellaneous expenses	1,732,000.00	1,582,000	1,423,800	1,582,000	−150,000.00		+158,200
Agency expenditure analysis				800,000	+800,000.00	+800,000	+800,000
Total, General Accounting Office	35,791,000.00	36,852,000	33,166,800	36,551,000	+760,000.00	−301,000	+3,384,200
HOUSING AND HOME FINANCE AGENCY							
Office of the Administrator	[32] 1,050,000.00	1,600,000	1,200,000	1,200,000	+150,000.00	−400,000	
Federal Housing Administration	[33] 10,000,000.00				−10,000,000.00		
Public Housing Administration (annual contributions)	4,840,000.00	5,700,000	5,000,000	5,000,000	+160,000.00	−700,000	
Total, Housing and Home Finance Agency	15,890,000.00	7,300,000	6,200,000	6,200,000	−9,690,000.00	−1,100,000	
HOUSING EXPEDITER							
Salaries and expenses	22,222,100.00	[33a] 26,750,000		24,075,000	+1,852,900.00	−2,675,000	+24,075,000
INDIAN CLAIMS COMMISSION							
Salaries and expenses	90,000.00	90,000	90,000	90,000			

INLAND WATERWAYS CORPORATION (Department of Commerce)	2,000,000.00	1,000,000	1,000,000	1,000,000	−1,000,000.00		
INTERSTATE COMMERCE COMMISSION							
General expenses	9,505,317.00	9,712,100	9,321,000	9,621,000	+115,683.00	−91,100	+300,000
Railroad safety	942,000.00	951,000	958,500	958,500	+16,500.00	+7,500	
Locomotive inspection	648,000.00	667,000	674,500	674,500	+26,500.00	+7,500	
Printing and binding	205,000.00	[34]			−205,000.00		
Penalty-mail costs	35,000.00				−35,000.00		
Total, Interstate Commerce Commission	11,335,317.00	11,330,100	10,954,000	11,254,000	−81,317.00	−76,100	+300,000
INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN	5,000.00	5,000	5,000	5,000			
NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS							
Salaries and expenses	38,557,000.00	48,700,000	38,710,000	43,610,000	+5,053,000.00	−5,090,000	+4,900,000
Printing and binding	95,000.00	[35]			−95,000.00		
Construction and equipment at laboratories	[36] 10,000,000.00	[37] 15,000,000	[38] 10,000,000	[38] 10,100,000	+100,000.00	−4,900,000	+100,000
Total, National Advisory Committee for Aeronautics	48,652,000.00	63,700,000	48,710,000	53,710,000	+5,058,000.00	−9,990,000	+5,000,000
NATIONAL ARCHIVES							
Salaries and expenses	1,440,355.00	1,448,000	1,350,000	1,350,000	−90,355.00	−98,000	
Salaries and expenses, war records		200,000		150,000	+150,000.00	−50,000	+150,000
Printing and binding	23,500.00	[35]			−23,500.00		
Total, National Archives	1,463,855.00	1,648,000	1,350,000	1,500,000	+36,145.00	−148,000	+150,000
NATIONAL CAPITAL HOUSING AUTHORITY							
Maintenance and operation	26,700.00	34,900	31,410	34,900	+8,200.00		+3,490
Penalty-mail costs	1,300.00				−1,300.00		
Total, National Capital Housing Authority	28,000.00	34,900	31,410	34,900	+6,900.00		+3,490

[29] Limitation on funds available for administrative expenses increased from $3,750,000 to $4,000,000.
[30] Funds provided specifically for separated or furloughed employees decreased from $467,000 to $367,000.
[31] Limitation on funds available for administrative expenses decreased from $4,000,000 to $3,800,000.
[32] Includes $300,000 appropriated in the Supplemental Appropriation Act, 1949.
[33] Appropriation made in the Supplemental Appropriation Act, 1949, to make available to the Federal Housing Administration credit to the housing investment insurance fund.
[33a] Supplemental estimate, S. Doc. 79.
[34] Consolidated with item "General expenses."
[35] Consolidated with preceding item.
[36] And contract authorization of $18,200,000.
[37] And contract authorization of $21,500,000.
[38] And contract authorization of $10,000,000.

Comparative statement showing the appropriations for 1949, the estimates for 1950, the bill as passed the House, the Senate recommendations in accompanying bill, the increases or decreases proposed in Senate bill as compared with the current appropriations and the increases or decreases proposed in the bill compared with the budget estimates, and the House bill—Continued

Object	Appropriations, 1949	Budget estimates, 1950	Recommended in House bill for 1950	Amount recommended by Senate committee	Increase (+) or decrease (−) Senate committee bill compared with—		
					Appropriations, 1949	Estimates, 1950	House bill
NATIONAL CAPITAL PARK AND PLANNING COMMISSION							
Land acquisition	$400,000.00	$948,000	$695,000	$695,000	+$295,000.00	−$253,000	
District of Columbia redevelopment project planning		73,700	20,000	50,000	+50,000.00	−23,700	+30,000
Total, National Capital Park and Planning Commission	400,000.00	1,021,700	715,000	745,000	+345,000.00	−276,700	+30,000
OFFICE OF SELECTIVE SERVICE RECORDS	2,476,000.00				−2,476,000.00		
PHILIPPINE WAR DAMAGE COMMISSION	95,000,000.00	[39] 185,000,000	184,800,000	184,800,000	+89,800,000.00	−200,000	
SECURITIES AND EXCHANGE COMMISSION							
Salaries and expenses	6,027,140.00	5,970,000	5,750,000	5,750,000	−277,140.00	−220,000	
Printing and binding	94,000.00	([41])			−94,000.00		
Total, Securities and Exchange Commission	6,121,140.00	5,970,000	5,750,000	5,750,000	−371,140.00	−220,000	
SELECTIVE SERVICE SYSTEM	[42] 25,000,000.00	16,700,000	4,500,000	9,000,000	−16,000,000.00	−7,700,000	+$4,500,000
SMITHSONIAN INSTITUTION							
Salaries and expenses	2,259,000.00	2,300,000	2,300,000	2,300,000	+41,000.00		
National Gallery of Art, salaries and expenses	1,073,500.00	1,087,700	1,057,700	1,087,700	+14,200.00		+30,000
Total, Smithsonian Institution	3,332,500.00	3,387,700	3,357,700	3,387,700	+55,200.00		+30,000
TARIFF COMMISSION							
Salaries and expenses	1,248,300.00	1,350,000	1,200,000	1,275,000	+26,700.00	−75,000	+75,000

Printing and binding	20,000.00	[43]			−20,000.00		
Total, Tariff Commission	1,268,300.00	1,350,000	1,200,000	1,275,000	+6,700.00	−75,000	+75,000
TENNESSEE VALLEY AUTHORITY	30,339,061.00	56,400,000	49,359,150	49,359,150	+19,020,089.00	−7,040,850	
THE TAX COURT OF THE UNITED STATES							
Salaries and expenses	770,050.00	800,000	800,000	800,000	+29,950.00		
Printing and binding	17,500.00	[43]			−17,500.00		
Total, the Tax Court of the United States	787,550.00	800,000	800,000	800,000	+12,450.00		
U. S. MARITIME COMMISSION							
Salaries and expenses	[44] 68,360,775.00	[45] 72,141,390	[46] 62,380,424	[46a] 63,054,424	−5,306,351.00	−9,086,966	+674,000
Maritime training	7,744,000.00	[46b] 3,329,000	6,586,000	3,151,050	−4,592,950.00	−177,950	−3,434,950
State marine schools	400,000.00	400,000	370,000	370,000	−30,000.00	−30,000	
Vessel operating functions	25,483,976.00				−25,483,976.00		
War Shipping Administration, liquidation of obligations	[47]	[48]	[48]	[48]			
Total, U. S. Maritime Commission	101,988,751.00	75,870,390	69,336,424	66,575,474	−35,413,277.00	−9,294,916	−2,760,950
VETERANS' ADMINISTRATION							
Administration, medical, hospital, and domiciliary services	936,755,000.00	[48a] 869,480,000	820,673,940	845,073,940	−91,681,060.00	−24,406,060	+24,400,000
Printing and binding	3,148,000.00	[43]			−3,148,000.00		

[39] Includes $20,000,000 in H. Doc. No. 48.
[41] Consolidated with preceding item.
[42] Contained in Second Deficiency Appropriation Act, 1948. Appropriation of $2,476,000 for selective-service records also transferred to this appropriation.
[43] Consolidated with preceding item.
[44] And contract authorization of $75,000,000.
[45] Estimate reduced by $94,583,390 to $72,141,390 in H. Doc. No. 90; and contract authorization increased from $60,000,000 to $82,500,000 in H. Doc. No. 90.
[46] And contract authorization of $70,125,000; and $104,000,000 of the funds and contract authority for new ship construction in the Supplemental Independent Offices Appropriation Act, 1949, continued available until Sept. 30, 1949.
[46a] And contract authorization of $38,625,000; and $104,000,000 of the funds and contract authority for new ship construction in the Supplemental Independent Offices Appropriation Act, 1949, continued available until Sept. 30, 1949.
[46b] Reduced from $6,586,000 in H. Doc. 151.
[47] Unexpended balance continued available.
[48] Not to exceed $15,000,000 of unexpended balance continued available.
[48a] Includes increase of $20,583,000 in revised estimate, S. Doc. 78.

Comparative statement showing the appropriations for 1949, the estimates for 1950, the bill as passed the House, the Senate recommendations in accompanying bill, the increases or decreases proposed in Senate bill as compared with the current appropriations and the increases or decreases proposed in the bill compared with the budget estimates, and the House bill—Continued

Object	Appropriations, 1949	Budget estimates, 1950	Recommended in House bill for 1950	Amount recommended by Senate committee	Increase (+) or decrease (−) Senate committee bill compared with—		
					Appropriations, 1949	Estimates, 1950	House bill
VETERANS' ADMINISTRATION—continued							
Tort claims	$15,000.00	$15,000	$15,000	$15,000			
Pensions	2,034,238,000.00	[48b] 2,110,888,000	1,998,801,000	1,998,801,000	−$35,437,000.00	−$112,087,000	
Readjustment benefits	2,574,917,000.00	[48c] 2,357,898,000	2,197,503,000	2,197,503,000	−377,414,000.00	−160,395,000	
Military and naval insurance	5,096,000.00	4,150,000	3,735,000	3,735,000	−1,361,000.00	−415,000	
Hospital and domiciliary facilities	[49] 202,000,000.00	([50])	([51])	([51])	−202,000,000.00		
National service life insurance	104,320,000.00	[52] 467,450,000	49,374,000	467,450,000	+363,130,000.00		+$418,076,000
Soldiers' and sailors' civil relief	[53] 500,000.00	([54])			−500,000.00		
Automobiles for disabled veterans	[55] 5,000,000.00				−5,000,000.00		
Veterans' miscellaneous benefits	96,072,000.00	[56] 83,700,000	75,330,000	75,330,000	−20,742,000.00	−8,370,000	
Grants to the Republic of the Philippines		[57] 12,685,000				−12,685,000	
Total, Veterans' Administration	5,962,061,000.00	5,906,266,000	5,145,431,940	5,587,907,940	−374,153,060.00	−318,358,060	+442,476,000
Grand total, Executive Office and independent establishments	7,791,870,750.52	8,051,343,830	7,103,506,553	7,636,006,873	−155,863,877.52	−415,336,957	+532,500,320
Total, contract authorization	562,851,500.00	536,000,000	472,314,628	452,189,628	−110,661,872.00	−83,810,372	−20,125,000
Total, cash and contract authorization	8,354,722,250.52	8,587,343,830	7,575,821,181	8,088,196,501	−266,525,749.52	−499,147,329	+512,375,320

[48b] Represents revised estimate based on decrease of $110,002,000 in S. Doc. 78.
[48c] Represents revised estimate based on decrease of $83,772,000 in S. Doc. 78.
[49] And contract authorization of $43,000,000.
[50] Contract authorization in the Third Urgent Deficiency Appropriation Act, 1946, the Independent Offices Appropriation Act, 1948, and the Supplemental Independent Offices Appropriation Act, 1949, extended to July 1, 1951, except for reduction of $237,000,000.
[51] Contract authorization in the Third Urgent Deficiency Appropriation Act, 1946, the Independent Offices Appropriation Act, 1948, and the Supplemental Independent Offices Appropriation Act, 1949, extended to July 1, 1951.
[52] Increased from $72,600,000 to $467,450,000 in S. Doc. 78.
[53] Includes $245,000 in Second Deficiency Appropriation Act, 1948.
[54] Reduced from $95,000 in H. Doc. 85.
[55] Contained in Supplemental Appropriation Act, 1949.
[56] Reduced from $110,747,000 in H. Doc. 85.
[57] Supplemental estimate, S. Doc. 44.

COMPARATIVE STATEMENT SHOWING CONTRACT AUTHORIZATIONS, 1949, ESTIMATED FOR 1950, AND THE AMOUNT RECOMMENDED IN THE BILL FOR 1950

Agency	Authorization, 1949	Estimated authorization, 1950	Recommended in House bill for 1950	Amount recommended by Senate committee	Increase (+) or decrease (−) Senate bill compared with—		
					Authorizations, 1949	Estimates, 1950	House bill, 1950
American Battle Monuments Commission	$1,276,500	$5,000,000	$5,000,000	$5,000,000	+$3,723,500		
Atomic Energy Commission	400,000,000	427,000,000	387,189,628	387,189,628	−12,810,372	−$39,810,372	
Public Buildings Administration	25,375,000				−25,375,000		
National Advisory Committee for Aeronautics	18,200,000	21,500,000	10,000,000	10,000,000	−8,200,000	−11,500,000	
U. S. Maritime Commission	75,000,000	82,500,000	70,125,000	50,000,000	−25,000,000	−32,500,000	−$20,125,000
Veterans' Administration	43,000,000				−43,000,000		
Total, contract authorization	562,851,500	536,000,000	472,314,628	452,189,628	−110,661,872	−83,810,372	−20,125,000

ADMINISTRATIVE EXPENSES OF GOVERNMENT CORPORATIONS CONTAINED IN BILL

[Limitations on amounts of corporate funds to be expended]

Corporation or agency	Authorization, 1949	Estimate, 1950	Recommended in House bill, 1950	Amount recommended by Senate committee	Increase (+) or decrease (−) Senate bill compared with—		
					Authorizations, 1949	Estimates, 1950	House bill, 1950
Tennessee Valley Associated Cooperatives, Inc	$1,000				−$1,000		
Tennessee Valley Authority	3,988,000	$4,110,000	$3,699,000	$3,699,000	−289,000	−$411,000	
Housing and Home Finance Agency:							
Home Loan Bank Board	1,800,000	450,000	427,500	427,500	−1,372,500	−22,500	
Federal Savings and Loan Insurance Corporation	600,000	650,000	617,500	617,500	+17,500	−32,500	
Home Owners' Loan Corporation	2,300,000	2,145,000	1,823,250	1,823,250	−476,750	−321,750	
Federal Housing Administration	[1] 23,500,000	23,500,000	21,860,750	22,860,750	−639,250	−639,250	+$1,000,000
Public Housing Administration:							
Salaries and expenses	10,095,000	8,750,000	8,054,600	8,054,600	−2,040,400	−695,400	
Liquidation of resettlement projects	40,000	22,000	19,800	19,800	−20,200	−2,200	
Department of Commerce: Inland Waterways Corporation	498,800	542,000	522,000	522,000	+23,200	−20,000	
Total	42,822,800	40,169,000	37,024,400	38,024,400	−4,798,400	−2,144,600	+1,000,000

[1] The Supplemental Appropriation Act, 1949, authorized expenditure in fiscal year 1949 from this authorization of not to exceed $2,100,000 for administrative expenses in connection with the Housing Act of 1948.

PERMANENT AND INDEFINITE ANNUAL AND TRUST ACCOUNT APPROPRIATIONS

Object	Appropriations, 1949	Estimates, 1950	Increase (+) or decrease (−)
GENERAL AND SPECIAL FUNDS			
Atomic Energy Commission: Payments from proceeds of motor-vehicle sales	$200,000	$200,000	----------
Civil Service Commission: Payments from proceeds of motor-vehicle sales	3,000	3,000	----------
Federal Communications Commission: Payments from proceeds of motor-propelled-vehicle sales	1,000	1,000	----------
Federal Power Commission:			
Payments to States under	26,700	27,200	+$500
Payments from proceeds of motor-vehicle sales	1,200	1,600	+400
Federal Works Agency: Payments from proceeds of motor-vehicle sales	118,733	94,700	−24,033
Interstate Commerce Commission: Payments from proceeds of motor-propelled-vehicle sales	1,500	4,500	+3,000
National Advisory Committee for Aeronautics: Payments from proceeds of motor-propelled-vehicles sales	5,000	5,000	----------
National Archives: Proceeds from motor-vehicle sales	1,000	----------	−1,000
Smithsonian Institution, interest account	60,000	60,000	----------
Expenses of National Gallery of Art, interest account	200,000	200,000	----------
Veterans' Administration:			
Relief of Mary L. Dickson	240	240	----------
Premiums on term insurance	40,000	----------	−40,000
Payments from proceeds of motor-propelled vehicle sales	20,000	20,000	----------
Total, permanent appropriations, general and special funds	678,373	617,240	−61,133
TRUST FUNDS			
Atomic Energy Commission: Unclaimed moneys due creditors of contractors of the United States	----------	500	+500
Civil Service retirement and disability fund	678,732,469	824,590,957	+145,858,488
Canal Zone retirement and disability fund	2,903,338	2,781,257	−122,081

Permanent and indefinite annual and trust account appropriations—Continued

Object	Appropriations, 1949	Estimates, 1950	Increase (+) or decrease (−)
TRUST FUNDS—continued			
Alaska Railroad retirement and disability fund	$774,689	$812,525	+$37,836
Federal Communications: International telecommunication settlements	200,000	200,000	----------
Federal Works Agency: Unclaimed moneys due creditors of contractors	1,000	1,000	----------
General Accounting Office:			
Amounts due laborers and withheld from contractors under act of Aug. 30, 1935	3,000	2,000	−1,000
Proceeds from estates of American citizens who died abroad	500	500	----------
Interstate Commerce Commission: Unearned fees, admission of attorneys	200	200	----------
National Archives:			
F. D. Roosevelt Library	65,000	65,000	----------
Use of fees collected by Archivist	12,000	15,000	+3,000
Donations to National Archives	20,000	----------	−20,000
National Capital Park and Planning Commission: Contributions for purchase of land	250,000	----------	−250,000
Securities and Exchange Commission, unearned fees	12,000	24,000	+12,000
Smithsonian Institution: Canal Zone biological area	3,000	3,000	----------
U. S. Maritime Commission:			
Unearned moneys, merchant-ship sales	5,000,000	----------	−5,000,000
Unearned moneys, vessel operating functions	2,500,000	----------	−2,500,000
Marine Academy, Kings Point, N. Y., donations for chapel and library	50,000	100,000	+50,000
Veterans' Administration:			
U. S. Government life-insurance fund	92,272,000	91,735,000	−537,000
Personal funds of patients	15,000,000	16,000,000	+1,000,000

General post fund	400,000	400,000	
Adjusted service certificate fund	300,000	280,000	−20,000
National service life-insurance fund	689,329,500	709,353,000	+20,023,500
Funds due incompetent beneficiaries	9,000,000	9,000,000	
Prepaid hazard insurance, taxes, etc	30,000	145,000	+115,000
Unclaimed moneys of individuals whose whereabouts are known	25	50	+25
Total, permanent appropriation trust funds	1,496,858,721	1,655,508,989	+158,650,268
Total permanent appropriations	1,497,537,094	1,656,126,229	+158,589,135

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Calendar No. 639

81ST CONGRESS
1ST SESSION

H. R. 4177

[Report No. 639]

IN THE SENATE OF THE UNITED STATES

APRIL 18 (legislative day, APRIL 11), 1949
Read twice and referred to the Committee on Appropriations

JULY 8 (legislative day, JUNE 2), 1949
Reported by Mr. O'MAHONEY, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, namely:

TITLE I

EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of $50,000 per annum, as authorized by the Act of January 19, 1949 (Public Law 2), $150,000.

THE WHITE HOUSE OFFICE

Salaries and expenses: For expenses necessary for The White House Office, including compensation of the Secretary to the President and the six administrative assistants to the President as authorized by law, and the two additional secretaries to the President at $10,330 each, and other personal services in the District of Columbia; printing and binding; not to exceed $127,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at such per diem rates for individuals as the President may specify, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service; and travel and official entertainment expenses of the President, to be accounted for solely on his certificate; $1,375,140.

EMERGENCY FUND FOR THE PRESIDENT

To provide for emergencies affecting the national interest or security, without regard to such provisions of law

regulating the expenditure of Government funds as the President may specify, and for supplementing the efforts and available resources of State and local governments or other agencies in alleviating hardship or suffering caused by flood, fire, hurricane, earthquake, or other catastrophe in any part of the United States, $1,000,000: *Provided,* That assistance in alleviating hardship or suffering caused by such a catastrophe may be rendered through such agency or agencies as the President may designate and in such manner as he shall determine, without regard to such provisions of law regulating the expenditure of Government funds or the employment of persons in the Government service as he shall specify, whenever he finds that such a catastrophe is of sufficient severity and magnitude to warrant emergency assistance by the Federal Government in alleviating hardship or suffering caused thereby, and if the Governor of any State in which such a catastrophe shall occur shall certify that such assistance is required, and shall have entered into an agreement with such agency of the Government as the President may designate, giving assurance of expenditure of a reasonable amount of the funds of the government of such State, local governments therein, or other agencies, for the same or similar purposes with respect to such catastrophe: *Provided further,* That within any affected area Federal agencies are authorized to participate in any

such emergency assistance: *Provided further,* That no part of this appropriation which may be allocated for alleviating hardship or suffering caused by a catastrophe shall be expended for departmental personal services or for permanent construction: *And provided further,* That no part of this appropriation shall be available for allocation to finance a function or project for which function or project a budget estimate of appropriation was transmitted pursuant to law during the Eighty-first Congress and such appropriation denied after consideration thereof by the Senate or House of Representatives or by the Committee on Appropriations of either body.

EXECUTIVE MANSION AND GROUNDS

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Mansion and the Executive Mansion grounds, and traveling expenses, to be expended as the President may determine, notwithstanding the provisions of any other Act, $260,400.

BUREAU OF THE BUDGET

Salaries and expenses: For expenses necessary for the Bureau of the Budget, personal services in the District of Columbia and elsewhere~~, including the salary of the Director at $12,000 per annum so long as the position is held by the present incumbent~~; exchange of books; newspapers and

periodicals (not exceeding $200); teletype news service (not exceeding $900); printing and binding; not to exceed $30,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed $50 per diem for individuals; a health-service program as authorized by law (5 U. S. C. 150); and the payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); ~~$2,983,050~~ *$3,314,500.*

No part of the appropriations herein made to the Bureau of the Budget shall be used for the maintenance or establishment of more than four regional, field, or any other offices outside the District of Columbia.

COUNCIL OF ECONOMIC ADVISERS

Salaries and expenses: For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U. S. C. 1021), including personal services in the District of Columbia; travel expenses; purchase of one passenger motor vehicle for replacement only; printing and binding; newspapers and periodicals (not exceeding $200); press clippings (not exceeding $300); a health-service program as authorized by law (5 U. S. C. 150); and payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); ~~$300,000~~ *$340,000.*

OFFICE FOR EMERGENCY MANAGEMENT

PHILIPPINE ALIEN PROPERTY ADMINISTRATION

Administrative expenses, Philippine Alien Property Administration: The Philippine Alien Property Administrator is hereby authorized to pay out of any funds or other property or interest vested in him or transferred to him, necessary expenses incurred in carrying out the powers and duties conferred on him pursuant to the Trading With the Enemy Act, as amended (50 U. S. C. App.), and the Philippine Property Act of 1946 (60 Stat. 418): *Provided,* That not to exceed $250,000 shall be available for the current fiscal year for the general administrative expenses of the Philippine Alien Property Administration, including the salary of the Administrator at $10,330 per annum; printing and binding; rent of private or Government-owned space in the District of Columbia; employment outside the United States of persons without regard to the civil service and classification laws including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); personal services in the District of Columbia and expenses of attendance at meetings of organizations concerned with the work of the agency: *Provided further,* That on or before November 1 of the current fiscal year the Philippine Alien Property Administrator shall make a report to the Appropriations Committees of the Senate and the House of Representatives

giving detailed information on all administrative and non-administrative expenses incurred during the next preceding fiscal year, in connection with the activities of the Philippine Alien Property Administration.

INDEPENDENT OFFICES

AMERICAN BATTLE MONUMENTS COMMISSION

Salaries and expenses: For necessary expenses, as authorized by the Act of June 26, 1946 (36 U. S. C. 121, 123–132, 138), including the acquisition of land or interest in land in foreign countries; personal services in the District of Columbia; purchase and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its Territories and possessions at a cost not exceeding $600; travel expenses; rent of office and garage space in foreign countries; the purchase of ~~one~~ *three* passenger motor ~~vehicle~~ *vehicles, including one at not to exceed $2,500*; printing, binding, engraving, lithographing, photographing, and typewriting; $644,300: *Provided*, That where station allowance has been authorized by the Department of the Army for officers of the Army serving the Army at certain foreign stations, the same allowance shall be authorized for officers of the armed forces assigned to the Commission while serving at the same foreign stations, and this appropriation is hereby made available for the payment of such allowance: *Provided further*, That when traveling on business of the Commission,

officers of the armed forces serving as members or as secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission.

Construction of memorials and cemeteries: For the permanent design and construction of memorials and cemeteries in foreign countries as authorized by the Act of June 26, 1946 (36 U. S. C. 121, 123–132, 138), and the Act of August 5, 1947 (Public Law 368), $5,276,500, of which $1,276,500 is for payment of obligations incurred under authority provided under this head in the Independent Offices Appropriation Act, 1949, to remain available until expended; and in addition the Commission is authorized to enter into contracts in the amount of $5,000,000 for the purposes of this appropriation.

ATOMIC ENERGY COMMISSION

For expenses necessary to carry out the purposes of the Atomic Energy Act of 1946, including personal services in the District of Columbia and employment of aliens; purchase of land and interests in land; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); purchase of passenger motor vehicles for replacement only; purchase, maintenance, and operation of aircraft; printing and binding; health-service program as authorized by law (5 U. S. C. 150); publication and dissemination of atomic information; payment of claims pursuant to section 403 of the Federal

Tort Claims Act (28 U. S. C. 2672); purchase, repair, and cleaning of uniforms; purchase of newspapers and periodicals (not to exceed $8,000) and travel expenses; official entertainment expenses (not to exceed $5,000); and payment of obligations incurred under prior year contract authorizations; $702,930,769, together with the ~~unobligated balances~~ *unexpended balances, as of June 30, 1949,* of prior year appropriations to the Atomic Energy Commission, of which amounts $100,000 may be expended for objects of a confidential nature and in any such case the certificate of the Commission as to the amount of the expenditure and that it is deemed inadvisable to specify the nature thereof shall be deemed a sufficient voucher for the sum therein expressed to have been expended; from which appropriation transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred; and in addition to the amount herein provided, the Commission is authorized to contract for the purposes of this appropriation during the current fiscal year in an amount not exceeding $387,189,628: *Provided,* That no part of this appropriation shall be used to pay the salary of any officer or employee (except such officers and employees whose compensation is fixed by law,

and scientific and technical personnel) whose position would be subject to the Classification Act of 1923, as amended, if such Act were applicable to such position, at a rate in excess of the rate payable under such Act for positions of equivalent difficulty or responsibility.

CIVIL SERVICE COMMISSION

Salaries and expenses: For necessary expenses, personal services in the District of Columbia~~, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents~~; not to exceed $25,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ; not to exceed $10,000 for medical examinations performed for veterans by private physicians on a fee basis; travel expenses of examiners acting under the direction of the Commission, and expenses of examinations and investigations held in Washington and elsewhere; not to exceed $500 for payment in advance for library membership in societies whose publications are available to members only or to members at a price lower than to the general public; purchase of three passenger motor vehicles; printing and binding; not to exceed ~~$40,000~~ *$60,000* for performing the duties imposed upon the Commission by the Act of July 19, 1940 (54 Stat. 767) ; *not to exceed $500,000 for allocation to the Federal Bureau of Investigation as required for investi-*

gation of applicants for certain positions when requested by the head of the department or agency concerned in cases where the department or agency concerned does not maintain its own investigative staff; a health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and not to exceed $5,000 for actuarial services by contract, without regard to section 3709, Revised Statutes, as amended; ~~$14,000,000~~ *$16,250,000*: *Provided,* That no details from any executive department or independent establishment in the District of Columbia or elsewhere to the Commission's central office in Washington or to any of its regional offices shall be made during the current fiscal year, but this shall not affect the making of details for service as members of the boards of examiners outside the immediate offices of the Commission in Washington or of the regional directors, nor shall it affect the making of details of persons qualified to serve as expert examiners on special subjects: *Provided further,* That the Civil Service Commission shall have power in case of emergency to transfer or detail any of its employees to or from its office or field force: *Provided further,* That members of the Loyalty Review Board in Washington and of the regional loyalty boards in the field may be paid actual transportation expenses, and not to exceed $10 per diem

in lieu of subsistence while traveling on official business away from their homes or regular places of business, and while en route to and from and at the place where their services are to be performed: *Provided further,* That nothing in section 281 or 283 of title 18, United States Code, or in section 190 of the Revised Statutes (5 U. S. C. 99) shall be deemed to apply to any person because of his appointment for part-time or intermittent service as a member of the Loyalty Review Board or a regional loyalty board in the Civil Service Commission.

No part of the appropriations herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, established pursuant to Executive Order Numbered 9358 of July 1, 1943.

No part of appropriations herein shall be used to pay the compensation of officers and employees of the Civil Service Commission who allocate or reallocate supervisory positions in the classified civil service solely on the size of the group, section, bureau, or other organization unit, or on the number of subordinates supervised. References to size of the group, section, bureau, or other organization unit or the number of subordinates supervised may be given effect only to the extent warranted by the work load of such

organization unit and then only in combination with other factors, such as the kind, difficulty, and complexity of work supervised, the degree and scope of responsibility delegated to the supervisor, and the kind, degree, and value of the supervision actually exercised.

PANAMA CANAL CONSTRUCTION ANNUITY FUND

For payment of annuities authorized by the Act of May 29, 1944, as amended (48 U. S. C. 1373a), ~~$5,304,870~~ *$5,894,300*, to be available immediately.

CIVIL-SERVICE RETIREMENT AND DISABILITY FUND

For financing the liability of the United States, created by the Act approved May 22, 1920, and Acts amendatory thereof (5 U. S. C. chap. 14), ~~$295,553,700~~ *$328,393,000*, which amount shall be placed to the credit of the "civil-service retirement and disability fund".

CANAL ZONE RETIREMENT AND DISABILITY FUND

For financing the liability of the United States, created by the Act approved March 2, 1931, and Acts amendatory thereof (48 U. S. C. 1371n), ~~$899,100~~ *$999,000*, which amount shall be placed to the credit of the "Canal Zone retirement and disability fund".

ALASKA RAILROAD RETIREMENT AND DISABILITY FUND

For financing the liability of the United States created by the Act approved June 29, 1936 (5 U. S. C. 745), ~~$193,500~~ *$215,000*, which amount shall be placed to the

credit of the "Alaska Railroad retirement and disability fund".

DISPLACED PERSONS COMMISSION

Displaced Persons Commission: For expenses necessary to carry out the provisions of the Displaced Persons Act of 1948 (Public Law 774, approved June 25, 1948), including personal services and rents in the District of Columbia; travel expenses without regard to the Standardized Government Travel Regulations, as amended, and the rates of per diem allowances under the Subsistence Expense Act of 1926, as amended; *purchase (not to exceed thirty), and* hire of passenger motor vehicles; printing and binding, including printing and binding outside the continental limits of the United States without regard to section 11 of the Act of March 1, 1919 (44 U. S. C. 111); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); health service program as authorized by law (5 U. S. C. 150); employment of aliens; payment of rent in foreign countries in advance; and purchases and services abroad without regard to section 3709 of the Revised Statutes; $4,210,000: *Provided,* That allocations may be made from this appropriation by the Commission upon approval by the Director of the Bureau of the Budget to any department, agency, corpora-

tion, or independent establishment of the Government for direct expenditure for the purposes of this appropriation, and any such expenditures may be made under the specific authority herein contained or under the authority governing the activities of the department, agency, corporation, or independent establishment to which amounts are allocated: *Provided further,* That the Commission may enter into agreements with governmental and private agencies and may make payment in advance or by reimbursement for expenses incurred by such agencies in rendering assistance to the Commission in carrying out the purposes of this Act.

FEDERAL COMMUNICATIONS COMMISSION

Salaries and expenses: For necessary expenses in performing the duties imposed by the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1064), the Ship Act of 1910, approved June 24, 1910, as amended (46 U. S. C. 484–487), the International Radiotelegraphic Convention (45 Stat., pt. 2, p. 2760), Executive Order 3513, dated July 9, 1921, as amended under date of June 30, 1934, relating to applications for submarine cable licenses, and the radiotelegraphy provisions of the Convention for Promoting Safety of Life at Sea, ratified by the President July 7, 1936, personal services in the District of Columbia, ~~including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents,~~

contract stenographic reporting services, special counsel fees, health service program as authorized by law (5 U. S. C. 150), payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), improvement and care of grounds and repairs to buildings (not to exceed $17,500), purchase of not to exceed fifteen passenger motor vehicles for replacement only, travel expenses (not to exceed $94,000), and printing and binding, ~~$6,525,000~~ *$6,633,000*: *Provided*, That funds appropriated under this paragraph may be used for application processing and hearings in connection with broadcast activities and for application processing in connection with safety and special services without regard to the apportionment of funds required by the Act of February 27, 1906 (31 U. S. C. 665).

FEDERAL POWER COMMISSION

Salaries and expenses: For expenses necessary for the work of the Commission, not otherwise provided for, as authorized by law, personal services in the District of Columbia, ~~including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents~~: not to exceed ~~$220,000~~ *$230,000* for travel; health service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); printing and binding; purchase (not to exceed four, for replace-

ment only) and hire of passenger motor vehicles; and not to exceed $500 for newspapers; ~~$3,650,000~~ *$3,763,000*, of which amount ~~not to exceed $2,122,000 shall be available for personal services in the District of Columbia exclusive of~~ not to exceed $10,000 *shall be available* for special counsel and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), but at rates not exceeding $50 per diem for individuals.

Flood-control surveys: For expenses necessary for the work of the Commission as authorized by section 4 of the Act of June 28, 1938 (33 U. S. C. 701j), and similar provisions in subsequent Acts, including personal services in the District of Columbia; contract stenographic reporting services, and printing and binding, ~~$325,000~~ *$337,000, of* ~~which amount not to exceed $130,000 shall be available for personal services in the District of Columbia~~.

FEDERAL TRADE COMMISSION

Salaries and expenses: For necessary expenses, personal services in the District of Columbia~~, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents~~; health service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); contract stenographic reporting

services; printing and binding; and newspapers not to exceed $700; ~~$3,450,000~~ *$3,639,000*: *Provided,* That no part of the funds appropriated herein for the Federal Trade Commission shall be expended upon any investigation hereafter provided by concurrent resolution of the Congress until funds are appropriated subsequently to the enactment of such resolution to finance the cost of such investigation.

FEDERAL WORKS AGENCY

OFFICE OF THE ADMINISTRATOR

Salaries and expenses: For salaries and expenses in the Office of the Administrator in the District of Columbia, including the salaries of an Assistant Administrator and a general counsel at $10,330 each per annum; purchase of newspapers and periodicals (not to exceed $150); health service program as authorized by law (5 U. S. C. 150); preparation, shipment, and installation of photographic displays, exhibits, and other descriptive materials; and travel expenses; ~~$300,000~~ *$325,000.*

Public Works Administration liquidation: The funds made available for "Public Works Administration liquidation" by the Second Deficiency Appropriation Act, 1944, as amended by the First Deficiency Appropriation Act, 1945, the First Deficiency Appropriation Act, 1946, the Third Deficiency Appropriation Act, 1946, the Independent Offices Appropriation Act, 1948, and the Independent Offices

Appropriation Act, 1949, are hereby continued available until June 30, 1950, of which not to exceed ~~$15,500~~ *$20,000* shall be available for administrative expenses during the current fiscal year, *including not to exceed $1,200 for administrative expenses in connection with the city of East Peoria sewage project.*

Servicing of securities (private funds): The Federal Works Administrator is authorized, in connection with the authority placed in him by the Independent Offices Appropriation Act, 1947, and section 6 of the Act of July 31, 1946 (16 U. S. C. 825u), in respect to all bonds and any other obligations under his jurisdiction, issued by public authorities, States, or other public bodies for projects financed by the Public Works Administration, to perform such services in the administration of such bonds and other obligations as he determines to be necessary and in the public interest: *Provided*, That such services shall be at the request of such public agencies: *Provided further*, That such public agencies shall pay to the United States the cost of such services and any funds thus received shall be deposited in a special account or accounts in the Treasury of the United States and shall be available to the Federal Works Administrator solely for defraying the cost of such services.

Conservation of securities: For expenses necessary for the

conservation of the Federal Government's interest in bonds and other obligations in the custody of the Federal Works Administrator, issued for the construction of Public Works Administration projects, including personal services in the District of Columbia and travel expenses; $30,000, to be derived by transfer from the appropriation for "Public Works Administration liquidation" in the Independent Offices Appropriation Act, 1949.

Appropriations and other funds available to the Federal Works Agency shall be available during the current fiscal year for (a) printing and binding; (b) services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), but at rates for individuals not in excess of $50 per diem; and (c) payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672).

PUBLIC BUILDINGS ADMINISTRATION

For carrying into effect the provisions of the Public Buildings Acts, as provided in section 6 of the Act of May 30, 1908 (31 U. S. C. 683), and for the repair, preservation, and upkeep of all completed public buildings under the control of the Federal Works Agency, the mechanical equipment and the grounds thereof, and sites acquired for buildings, and for the operation of certain completed and occupied buildings under the control of the Federal Works

Agency, including furniture and repairs thereof, but exclusive, with respect to operation, of buildings of the United States Coast Guard, of hospitals, quarantine stations, and other Public Health Service buildings. mints, bullion depositories, and assay offices, and buildings operated by the Treasury and Post Office Departments in the District of Columbia:

General administrative expenses: For necessary expenses of the Public Buildings Administration, personal services in the District of Columbia~~, including the salary of the Commissioner of Public Buildings at $12,000 per annum so long as the position is held by the present incumbent~~; ground rent of the Federal buildings at Salamanca, New York, and Columbus, Mississippi, for which payment may be made in advance; $1,763,000, together with the unobligated balance of funds appropriated for the return of departmental functions to the seat of government, contained in the "Independent Offices Appropriation Act, 1948": *Provided,* That the foregoing appropriations shall not be available for the cost of surveys, plaster models, progress photographs, test pits and borings, or mill and shop inspections, but the cost thereof shall be construed to be chargeable against the construction appropriations of the respective projects to which they relate.

Repair, preservation, and equipment, outside the Dis-

trict of Columbia: For the repair, alteration, improvement, preservation, and equipment, not otherwise provided for, of completed Federal buildings, the grounds and approaches thereof, wharves, and piers, together with the necessary dredging adjacent thereto, and care and safeguarding of sites acquired for Federal buildings and of surplus real property, the custody of which is the responsibility of the Public Buildings Administration under the Act of August 27, 1935, pending sale or disposition; the demolition of buildings thereon; the purchase and repair of equipment and fixtures in buildings under the administration of the Federal Works Agency; and for changes in, maintenance of, and repairs to the pneumatic-tube system in New York City installed under franchise of the city of New York, approved June 29, 1909, and June 11, 1928, and the payment of any obligations arising thereunder in accordance with the provisions of the Acts approved August 5, 1909 (36 Stat. 120), and May 15, 1928 (45 Stat. 533); $10,000,000: *Provided*, That the total expenditures for the fiscal year for the repair and preservation of buildings not reserved by the vendors on sites acquired for buildings or the enlargement of buildings and the installation and repair of the mechanical equipment thereof shall not exceed 20 per centum of the annual rental of such buildings.

Salaries and expenses, public buildings and grounds in

the District of Columbia and adjacent area: For expenses necessary for the administration, protection, maintenance, and improvement of public buildings and grounds in the District of Columbia and the area adjacent thereto, maintained and operated by the Public Buildings Administration, including repair, preservation, and equipment of buildings operated by the Treasury and Post Office Departments in the District of Columbia; rent of buildings; demolition of buildings; expenses incident to moving various executive departments and establishments in connection with the assignment, allocation, transfer, and survey of building space; traveling expenses; the purchase of two passenger motor vehicles for replacement only; furnishings and equipment; arms and ammunition for the guard force; and purchase, repair, and cleaning of uniforms for guards and elevator conductors; ~~$31,140,000~~ *$32,750,000*: *Provided,* That all furniture now owned by the United States in other public buildings or in buildings rented by the United States shall be used, so far as practicable, whether or not it corresponds with the present regulation plan for furniture.

Salaries and expenses, public buildings and grounds outside the District of Columbia: For expenses necessary for the administration, operation, protection, and maintenance of public buildings and grounds outside the District of Columbia maintained and operated by the Public Buildings Adminis-

tration, including cleaning, heating, lighting, rental of buildings and equipment, supplies, materials, furnishings and equipment, personal services in the District of Columbia, arms, ammunition, purchase, repair, and cleaning of uniforms for guards and elevator conductors, the purchase of five passenger motor vehicles for replacement only, expenses incident to moving Government agencies in connection with the assignment, allocation, and transfer of building space, and the restoration of leased premises, ~~$23,968,800~~ *$24,968,800*: *Provided,* That all furniture now owned by the United States in other public buildings or in buildings rented by the United States shall be used, so far as practicable, whether or not it corresponds with the present regulation plan for furniture.

The provisions of section 322 of the Act of June 30, 1932, as amended (40 U. S. C. 278a), shall not apply to any lease entered into by, or transferred to, the Public Buildings Administration for the housing of activities specifically exempted from the provisions of the said Act, as amended.

Under the appropriations for salaries and expenses, public buildings and grounds in and outside the District of Columbia, and for national industrial reserve, per diem employees may be paid at rates approved by the Commissioner of Public Buildings not exceeding current rates for similar services in the place where such services are em-

ployed, and such employees in emergencies may be entered on duty subject to confirmation by the Federal Works Administrator.

The appropriations for salaries and expenses, public buildings and grounds in and outside the District of Columbia, shall be available for communication services serving one or more governmental activities, and for services to motor vehicles, and where such services, together with quarters, maintenance, or other services, are furnished on a reimbursable basis to any governmental activity, such activity shall make payment therefor promptly by check upon the request of the Public Buildings Administration, either in advance or after the service has been furnished, for deposit to the credit of the applicable appropriation, of all or part of the estimated or actual cost thereof, as the case may be, proper adjustment upon the basis of actual cost to be made for services paid for in advance.

Costs of maintenance, upkeep, and repair paid by Government corporations pursuant to section 306 of the Government Corporations Appropriation Act, 1948, shall be credited to the appropriations of the Public Buildings Administration bearing such costs.

Funds available to the Public Buildings Administration shall also be available for health-service programs as authorized by law (5 U. S. C. 150).

National industrial reserve: For expenses necessary to carry out the duties imposed upon the Federal Works Agency by the Act of July 2, 1948 (Public Law 883), relating to the retention and maintenance of a national industrial reserve, including personal services in the District of Columbia; purchase of not to exceed eight passenger motor vehicles for replacement only; and maintenance, protection, repair, restoration, renovation, and other services by contract or otherwise without regard to section 3709 of the Revised Statutes; $12,500,000: *Provided,* That the War Assets Administration or its successor agency is hereby authorized and directed to transfer to the Public Buildings Administration, without reimbursement, the land and buildings comprising War Assets Administration disposal center numbered 12, Buffalo, New York, together with all appurtenances thereto: *Provided further,* That the Public Buildings Administration may furnish necessary utilities or services, at cost, to persons, firms or corporations in connection with the occupancy of such plants and the amounts received therefor may be credited as reimbursements to this appropriation.

Geophysical Institute, Alaska: For the establishment of a geophysical institute at the University of Alaska, as authorized by the Act of July 31, 1946 (48 U. S. C. 175, 175a), $875,000, to be immediately available and to remain avail-

able until expended, which amount shall be for the payment of obligations incurred under authority provided under this head in the Independent Offices Appropriation Act, 1949.

General Accounting Office Building, District of Columbia: For continuation of construction of a building for the use of the General Accounting Office on square 518, in the District of Columbia, under the provisions of the Act of May 18, 1948 (Public Law 533), to remain available until expended, $5,000,000, which shall be for payment of obligations incurred under authority granted under this head in the Second Deficiency Appropriation Act, 1948.

Federal Courts Building, District of Columbia: For the continuation of construction of a building for the use of the United States Court of Appeals for the District of Columbia and the District Court of the United States for the District of Columbia, as authorized by the Act of May 14, 1948 (Public Law 527), to remain available until expended, $5,000,000, which shall be for payment of obligations incurred under authority granted under this head in the Second Deficiency Appropriation Act, 1948.

PUBLIC ROADS ADMINISTRATION

General administrative expenses: For the employment of persons and means, ~~including the salary of the Commissioner of Public Roads at $12,000 per annum so long as the position is held by the present incumbent, and~~ including

rent, advertising (including advertising in the city of Washington for work to be performed in areas adjacent thereto), purchase of periodicals, purchase of one hundred passenger motor vehicles for replacement only, health service program as authorized by law (5 U. S. C. 150), and the preparation, distribution, and display of exhibits, in the city of Washington and elsewhere for the purpose of conducting research and investigational studies, either independently or in cooperation with State highway departments, or other agencies, including studies of highway administration, legislation, finance, economics, transport, construction, operation, maintenance, utilization, and safety, and of street and highway traffic control; investigations and experiments in the best methods of road making, especially by the use of local materials; studies of types of mechanical plants and appliances used for road building and maintenance, and of methods of road repair and maintenance suited to the needs of different localities; for maintenance and repairs of experimental highways; for furnishing expert advice on these subjects; for collating, reporting, and illustrating the results of same; and for preparing, publishing, and distributing bulletins and reports; to be paid from any moneys available from the administrative funds provided under the Act of July 11, 1916, as amended (23 U. S. C. 21), or as otherwise provided.

In carrying out the provisions of "An Act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", as amended and supplemented (23 U. S. C. 1–117), none of the money appropriated for the work of the Public Roads Administration during the current fiscal year shall be paid to any State on account of any project on which convict labor shall be employed, except this provision shall not apply to convict labor performed by convicts on parole or probation: *Provided*, That during the current fiscal year, whenever performing authorized engineering or other services in connection with the survey, construction, and maintenance, or improvement of roads for other Government agencies, cooperating foreign countries and State cooperating agencies the charge for such services may include depreciation on engineering and road-building equipment used, and the amounts received on account of such charges shall be credited to the appropriation concerned: *Provided further*, That during the current fiscal year the appropriations for the work of the Public Roads Administration shall be available for meeting the expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment stored therein for distribution to projects under the supervision of the Public Roads Administration, and for sale and for distribution to other Govern-

ment activities, cooperating foreign countries and State cooperating agencies, the cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling) to be reimbursed to appropriations current at the time additional supplies, materials, or equipment are procured, from the appropriation chargeable with the cost or value of such supplies, materials, or equipment: *Provided further*, That the appropriations available to the Public Roads Administration may be used in emergency for medical supplies and services and other assistance necessary for the immediate relief of employees engaged on hazardous work under that Administration.

For all necessary expenses to enable the President to utilize the services of the Public Roads Administration in fulfilling the obligations of the United States under the Convention on the Pan-American Highway Between the United States and Other American Republics, signed at Buenos Aires, December 23, 1936, and proclaimed September 16, 1937 (51 Stat. 152), for the continuation of cooperation with several governments, members of the Pan American Union, in connection with the survey and construction of the Inter-American Highway as provided in public resolution, approved March 4, 1929 (Public Resolution 104), as amended or supplemented, and for performing engineering service in pan-American countries for and upon the

request of any agency or governmental corporation of the United States, $100,000 to be derived from the administrative funds provided under the Act of July 11, 1916, as amended or supplemented (23 U. S. C. 21), or as otherwise provided.

Federal-aid postwar highways: For carrying out the provisions of the Federal-Aid Highway Act of 1944 (58 Stat. 838), ~~$373,491,000~~ *$390,000,000*, together with $1,509,000 of the unobligated balance of funds heretofore appropriated for access roads, to be immediately available and to remain available until expended, which sum is composed of $150,000,000, the remainder of the amount authorized to be appropriated for the second postwar fiscal year by section 2 of said Act, and ~~$225,000,000~~ *$241,509,000*, a part of the amount authorized to be appropriated for the third postwar year by said section 2.

Forest highways: For expenses necessary for carrying out the provisions of section 23 of the Federal Highway Act of November 9, 1921, as amended (23 U. S. C. 23, 23a), in accordance with section 3a of the Federal-Aid Highway Act of 1948 (Public Law 834, approved June 28, 1948), to be available immediately and to remain available until expended, $22,500,000, which sum is composed of $2,400,000, the remainder of the amount authorized by section 9 of the Federal-Aid Highway Act of 1944 (58 Stat. 842)

to be appropriated for the first postwar fiscal year and $20,100,000, a part of the amount authorized by said section to be appropriated for the second postwar fiscal year; and of which total amount $7,500,000 is for payment of obligations incurred under authority granted in the appropriation for "Forest roads and trails" under the Department of Agriculture in the Second Deficiency Appropriation Act, 1948: *Provided*, That any unexpended balances of amounts appropriated for forest highways under "Forest roads and trails" under the Department of Agriculture which are transferred to the Public Roads Administration shall be consolidated with this appropriation.

Access roads: During the current fiscal year, not to exceed $70,000 of funds remaining unexpended upon completion of access road projects authorized to be constructed under the provisions of the Defense Highway Act of 1941, as amended by the Act of July 2, 1942 (23 U. S. C. 106), shall be available for the maintenance of roads and bridges under the jurisdiction of the Public Roads Administration on Government-owned land in Arlington County, Virginia.

BUREAU OF COMMUNITY FACILITIES

Public works advance planning: The unexpended balances on June 30, 1949, of funds made available for public works advance planning under title V of the War Mobilization and Reconversion Act of 1944 (58 Stat. 791), are

hereby continued available for expenditure until June 30, 1950.

Liquidation of public works advance planning: Not to exceed $350,000 of the unobligated balance on June 30, 1949, of the funds made available for public works advance planning under title V of the War Mobilization and Reconversion Act of 1944 (58 Stat. 791) shall be available during the current fiscal year for administrative expenses incident to the liquidation of the activity for which said funds were appropriated, including the objects specified under this head in the Independent Offices Appropriation Act, 1946.

Virgin Islands public works: For an additional amount to carry out the provisions of the Act of December 20, 1944 (58 Stat. 827), $680,000, to be available immediately.

War public works (community facilities) liquidation: For administrative expenses necessary during the current fiscal year for the liquidation of all activities under titles II, III, and IV of the Act of October 14, 1940, as amended (42 U. S. C. 1531–1534, 1541, and 1562), including personal services and rents in the District of Columbia; printing and binding; and a health service program as authorized by law (5 U. S. C. 150); not to exceed $175,000 of the unobligated balances of the funds heretofore appropriated for

carrying out the provisions of titles II, III, and IV of the Act of October 14, 1940, as amended (42 U. S. C. 1531–1534, 1541, and 1562).

Veterans' educational facilities: Of the limitation of $4,000,000 on the amount for administrative expenses under this head in the Independent Offices Appropriation Act, 1949, the amount to be used exclusively for payment for accumulated and accrued leave to separated or furloughed employees is decreased from $467,000 to $367,000: ~~*Provided.* That the foregoing limitation of $4,000,000 for administrative expenses is reduced to $3,800,000.~~

~~Grants for plan preparation, water pollution control: For grants to States, municipalities, or interstate agencies to aid in financing the cost of action preliminary to the construction of projects for water pollution control as authorized by section 8 (c) of the Water Pollution Control Act of June 30, 1948 (62 Stat. 1155), $400,000.~~

~~Administrative expenses, water pollution control: For expenses necessary to carry out the administrative functions of the Federal Works Agency under the provisions of the Water Pollution Control Act of June 30, 1948 (62 Stat. 1155), as authorized by section 8 (c) of said Act, including personal services in the District of Columbia; travel; hire of passenger motor vehicles; health service programs as~~

~~authorized by law (5 U. S. C. 150); and exchange of books; $100,000.~~

GENERAL ACCOUNTING OFFICE

Salaries: For personal services in the District of Columbia and elsewhere, ~~$31,743,000~~ *$34,169,000*.

Miscellaneous expenses: For necessary expenses, including printing and binding and the purchase of one passenger motor vehicle for replacement only, ~~$1,423,800~~ *$1,582,000*.

Agency expenditure analysis: For necessary expenses to carry out the provisions of section 206 of the Act of August 2, 1946 (Public Law 601), including personal services in the District of Columbia or elsewhere, printing and binding, and the procurement of services authorized by section 15 of the Act of August 2, 1946 (Public Law 600), $800,000, to be immediately available: Provided, That the Comptroller General of the United States is authorized to employ all personnel under this appropriation without regard to the civil-service laws, rules, and regulations.

Appropriations for the General Accounting Office shall be available for a health service program as authorized by law (5 U. S. C. 150), for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a).

HOUSING AND HOME FINANCE AGENCY

OFFICE OF THE ADMINISTRATOR

~~Salaries and expenses: For necessary expenses of the Office of the Administrator, including a health service program as authorized by law (5 U. S. C. 150), $1,200,000.~~

Salaries and expenses: For necessary expenses of the Office of the Administrator, including personal services and rent in the District of Columbia; printing and binding; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); expenses of attendance at meetings of organizations concerned with the work of the Agency; payment of tort claims pursuant to law (28 U. S. C. 2672); a health service program as authorized by law (5 U. S. C. 150); purchase of one passenger motor vehicle for replacement; and dissemination of the results of research and studies undertaken pursuant to title III of the Housing Act of 1948, notwithstanding the provisions of 39 U. S. C. 321b; $1,200,000.

PUBLIC HOUSING ADMINISTRATION

Annual contributions: For the payment of annual contributions to public housing agencies in accordance with section 10 of the United States Housing Act of 1937, as amended (42 U. S. C. 1410), $5,000,000: *Provided,* That except for payments required on contracts entered into prior to April 18, 1940, no part of this appro-

priation shall be available for payment to any public housing agency for expenditure in connection with any low-rent housing project, unless the public housing agency shall have adopted regulations prohibiting as a tenant of any such project by rental or occupancy any person other than a citizen of the United States, but such prohibition shall not be applicable in the case of a family of any serviceman or the family of any veteran who has been discharged (other than dishonorably) from, or the family of any serviceman who died in, the armed forces of the United States within four years prior to the date of application for admission to such housing: ~~*Provided further,* That no part of this appropriation shall be used to pay any public housing ageney any contribution occasioned by payments in lieu of taxes in excess of the amount specified in the original contract between such ageney and the Public Housing Administration or its predecessor ageneies:~~ *Provided further,* That all expenditures of this appropriation shall be subject to audit and final settlement by the Comptroller General of the United States under the provisions of the Budget and Accounting Act of 1921, as amended.

OFFICE OF THE HOUSING EXPEDITER

Salaries and expenses, Office of the Housing Expediter: *For expenses necessary to carry out the functions of the Office of the Housing Expediter, including personal serv-*

ices in the District of Columbia; attendance at meetings of organizations concerned with rent control; hire of passenger motor vehicles; printing and binding; purchase of newspapers (not to exceed $10,000); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); not to exceed $5,000 for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and health service program as authorized by law (5 U. S. C. 150); $24,075,000: Provided, That as to cases involving the functions transferred to the Office of the Housing Expediter by Executive Order 9841, section 204 (e) of the Emergency Price Control Act of 1942, as amended, shall be considered as remaining in full force and effect during fiscal year 1950.

INDIAN CLAIMS COMMISSION

Salaries and expenses: For expenses necessary to carry out the purposes of the Act of August 13, 1946 (Public Law 726), creating an Indian Claims Commission, including personal services in the District of Columbia and printing and binding, $90,000.

INLAND WATERWAYS CORPORATION

Inland Waterways Corporation: For the purchase of capital stock of the Inland Waterways Corporation (administered under the supervision and direction of the Secretary of Commerce) authorized by section 2 of the Act of June 3,

1924, as amended (49 U. S. C. 152), $1,000,000, to remain available until expended.

INTERSTATE COMMERCE COMMISSION

General expenses: For expenses necessary in performing the functions vested by law in the Commission (49 U. S. C. 1–24, 301–327, 901–923, 1001–1022), except those otherwise specifically provided for in this Act, and for general administration; not to exceed $5,000 for the employment of special counsel; contract stenographic reporting services; personal services in the District of Columbia; newspapers (not to exceed $200); health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); purchase of ten passenger motor vehicles for replacement only; and printing and binding; ~~$9,321,000~~ *$9,621,000*, of which $35,000 shall be available for valuations of pipe lines, and $3,556,039 shall be available for the work of the Bureau of Motor Carriers: *Provided*, That Joint Board members and cooperating State commissioners may use Government transportation requests when traveling in connection with their duties as such.

Railroad safety: For expenses necessary in performing functions authorized by law (45 U. S. C. 1–15, 17–21, 35–46, 61–64; 49 U. S. C. 26) to insure a maximum of safety in the operation of railroads, including authority to in-

vestigate, test experimentally, and report on the use and need of any appliances or systems intended to promote the safety of railway operation, including those pertaining to block-signal and train-control systems, as authorized by the joint resolution approved June 30, 1906, and the Sundry Civil Act of May 27, 1908 (45 U. S. C. 35–37), and to require carriers by railroad subject to the Act to install automatic train-stop or train-control devices as prescribed by the Commission (49 U. S. C. 26), including the employment of inspectors, engineers, and personal services in the District of Columbia, and payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $958,500.

Locomotive inspection: For expenses necessary in the enforcement of the Act of February 17, 1911, entitled "An Act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in inter-state commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto", as amended (45 U. S. C. 22–34), including personal services in the District of Columbia, and payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $674,500.

INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

Contribution to Interstate Commission on the Potomac River Basin: To enable the Secretary of the Treasury to pay in advance to the Interstate Commission on the Potomac River Basin the Federal contribution toward the expenses of the Commission during the current fiscal year in the administration of its business in the conservancy district established pursuant to the Act of July 11, 1940 (54 Stat. 748), $5,000.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Salaries and expenses: For necessary expenses of the Committee, *including* contracts, without regard to section 3709, Revised Statutes, as amended, for the making of special investigations, and reports and for engineering, drafting and computing services; equipment, maintenance, and operation of the Langley Aeronautical Laboratory, the Ames Aeronautical Laboratory, and the Lewis Flight Propulsion Laboratory; purchase and maintenance of cafeteria equipment; maintenance and operation of aircraft; purchase of eight passenger motor vehicles for replacement only; printing and binding; personal services in the District of Columbia; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); including $2,500 for

payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and a health service program for employees as authorized by law (5 U. S. C. 150); in all, ~~$38,710,000~~ *$43,610,000*: *Provided*, That statutory provisions prohibiting the payment of compensation to aliens shall not apply to any person whose employment by the Committee shall be determined by the Chairman thereof to be necessary: *Provided further*, That aircraft and parts, equipment, and supplies may be transferred to the Committee by the Air Force, Army, and Navy without reimbursement.

Construction and equipment: For construction and equipment at laboratories and research stations of the Committee, *including the acquisition of that part of Wallops Island, Accomac County, Virginia, not presently owned by the Government, and not to exceed one acre in the vicinity of Wallops Island, Accomac County, Virginia, adjoining land heretofore acquired by the Government*, to be available until June 30 of the next succeeding year, ~~$10,000,000~~ *$10,100,000*, of which $7,277,200 shall be available for payments under contracts entered into pursuant to the contract authority under this head in the Independent Offices Appropriation Act, 1949: *Provided*, That in addition, the Committee may enter into contracts for the purposes of this appropriation in an amount not in excess of $10,000,000.

NATIONAL ARCHIVES

Salaries and expenses: For necessary expenses of the Archivist and the National Archives; including personal services in the District of Columbia; scientific, technical, first-aid, protective, and other apparatus and materials for the arrangement, titling, scoring, repair, processing, editing, duplication, reproduction, and authentication of photographic and other records (including motion-picture and other films and sound recordings) in the custody of the Archivist; printing and binding; contract stenographic reporting services; travel expenses; payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and a health-service program as authorized by law (5 U. S. C. 150); $1,350,000.

Salaries and expenses, war records: For expenses necessary for the preparation of guides and other finding aids to records of the Second World War, including personal services in the District of Columbia; arranging, titling, scoring, processing, editing, duplication, reproduction, and authentication of photographic and other records (including motion-picture and other films and sound recordings); printing and binding; a health service program as authorized by law (5 U. S. C. 150); and payment of tort claims pursuant to law (28 U. S. C. 2672); $150,000, of which not to exceed $15,000 shall be available immediately.

NATIONAL CAPITAL HOUSING AUTHORITY

Maintenance and operation of properties: For the maintenance and operation of properties under title I of the District of Columbia Alley Dwelling Authority Act, ~~$31,410~~ *$34,900*: *Provided,* That all receipts derived from sales, leases, or other sources shall be covered into the Treasury of the United States monthly.

NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Land acquisition, National Capital and metropolitan area: For necessary expenses for the National Capital Park and Planning Commission in connection with the acquisition of land for the park, parkway, and playground system of the National Capital, as authorized by the Act of May 29, 1930 (46 Stat. 482), and amendment of August 8, 1946 (60 Stat. 960); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), and real estate appraisers, by contract or otherwise without regard to the civil service and classification laws and section 3709, Revised Statutes, at rates of pay or fees not to exceed those usual for similar services; purchase of options and other costs incident to the acquisition of land; $695,000, to remain available until expended, $498,000 of said sum to be used for carrying out the provisions of section 1 (b) of said Act and $197,000 for carrying out the provisions of section 4 of said Act: ~~*Provided,* That not exceeding $25,000~~

~~of funds available during the current fiscal year may be used for personal services~~ *Provided, That not exceeding $29,000 of the funds available under the above appropriation during the current fiscal year may be used for regular and part-time personal services of the Commission, excepting services by contract.*

~~District of Columbia redevelopment project planning: For printing and binding of a comprehensive plan prepared in accordance with the Act of August 2, 1946 (60 Stat. 790), $20,000.~~

District of Columbia redevelopment project planning: For the preparation of a comprehensive plan to be prepared in accordance with the Act of August 2, 1946 (60 Stat. 790), $50,000.

PHILIPPINE WAR DAMAGE COMMISSION

Philippine War Damage Commission: For carrying out the provisions of title I of the Philippine Rehabilitation Act of 1946, $184,800,000, to remain available until April 30, 1951, of which not to exceed $3,502,554 shall be for necessary expenses of the Philippine War Damage Commission for the current fiscal year, including personal services in the District of Columbia; purchase of newspapers and periodicals not to exceed $200; housing of American employees by rental or lease and necessary repairs and alterations to and maintenance of quarters, without regard to section 322 of the Act of June 30, 1932, as amended (40

U. S. C. 278a); printing and binding without regard to section 11 of the Act of March 1, 1919 (44 U. S. C. 111); and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided,* That the provisions of the Act of June 29, 1936 (46 U. S. C. 1241), shall not apply to any travel or transportation of effects payable from this appropriation: *Provided further,* That no payment shall be made under the provisions of such title of such Act to any person who, by a civil or military court having jurisdiction, has been found guilty of collaborating with the enemy or of any act involving disloyalty to the United States or the Republic of the Philippines: *Provided further,* That no part of this appropriation shall be available for engaging in any phase of activity or for undertaking any phase of activity authorized by the Philippine Rehabilitation Act of 1946 which would result in obligating the Government of the United States in any sense or respect to the future payment of amounts in excess of the amounts authorized to be appropriated in such Act: *Provided further,* That $20,000,000 of this appropriation shall be available immediately: *Provided further,* That the limitation under this head in the Independent Offices Appropriation Act, 1949, on the amount available for necessary expenses, is increased from "$2,907,991" to "$2,979,991": *Provided further,* That the limitation imposed by section 104

of the Independent Offices Appropriation Act, 1949, on the amount available for travel expenses under this head for the fiscal year 1949, is increased from "$227,720" to "$299,720".

SECURITIES AND EXCHANGE COMMISSION

Salaries and expenses: For necessary expenses, personal services in the District of Columbia~~, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents~~; health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); not to exceed $1,150 for the purchase of newspapers; printing and binding; and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); $5,750,000.

SELECTIVE SERVICE SYSTEM

Salaries and expenses: For expenses necessary for the operation and maintenance of the Selective Service System, as authorized by title I of the Selective Service Act of 1948 (62 Stat. 604) including personal services in the District of Columbia; printing and binding; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); purchase of typewriters; not to exceed $500 for the purchase of newspapers

and periodicals; and a health-service program as authorized by law (5 U. S. C. 150); ~~$4,500,000~~ *$9,000,000*.

SMITHSONIAN INSTITUTION

Salaries and expenses, Smithsonian Institution: For all necessary expenses for the preservation, exhibition, and increase of collections from the surveying and exploring expeditions of the Government and from other sources; for the system of international exchanges between the United States and foreign countries; for anthropological researches among the American Indians and the natives of Hawaii and the excavation and preservation of archeological remains; for maintenance of the Astrophysical Observatory and making necessary observations in high altitudes; for the administration of the National Collection of Fine Arts; for the administration, and for the construction and maintenance, of laboratory and other facilities on Barro Colorado Island, Canal Zone, under the provisions of the Act of July 2, 1940, as amended by the provisions of Reorganization Plan Numbered 3 of 1946; for the maintenance and administration of a national air museum as authorized by the Act of August 12, 1946 (20 U. S. C. 77); including personal services in the District of Columbia and not to exceed $35,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); traveling expenses; payment of claims pursuant to section 403 of the Federal Tort Claims

Act (28 U. S. C. 2672); printing and binding, including printing the report of the American Historical Association; purchase, repair, and cleaning of uniforms for guards and elevator conductors; repairs and alterations of buildings and approaches; and preparation of manuscripts, drawings, and illustrations for publications; $2,300,000.

Salaries and expenses, National Gallery of Art: For the upkeep and operation of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including personal services in the District of Columbia; health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); traveling expenses; not to exceed $250 for payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards and elevator operators; printing and

binding; purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance and repair of buildings, approaches, and grounds; ~~$1,057,700~~ *$1,087,700*: *Provided*, That section 3709 of the Revised Statutes, or the Classification Act of 1923, as amended, shall not apply to the restoration and repair of works of art for the National Gallery of Art, the cost of which shall not exceed $15,000.

TARIFF COMMISSION

Salaries and expenses: For necessary expenses of the Tariff Commission, including personal services in the District of Columbia, printing and binding, subscriptions to newspapers not to exceed $250, health-service program as authorized by law (5 U. S. C. 150), and contract stenographic reporting services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), ~~$1,200,000~~ *$1,275,000*: *Provided*, That no part of this appropriation shall be used to pay the salary of any member of the Tariff Commission who shall hereafter participate in any proceedings under sections 336, 337, and 338 of the Tariff Act of 1930, wherein he or any member of his family has any special, direct, and pecuniary interest, or in which he has acted as attorney or special representative.

TENNESSEE VALLEY AUTHORITY

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U. S. C., ch. 12A), including purchase (not to exceed one) and hire, maintenance, repair, and operation of aircraft; the purchase (not to exceed one hundred and twelve for replacement only) and hire of passenger motor vehicles, $49,359,150 to remain available until expended, and to be available for the payment of obligations chargeable against prior appropriations.

THE TAX COURT OF THE UNITED STATES

Salaries and expenses: For necessary expenses, including printing and binding and contract stenographic reporting services, $800,000: *Provided,* That travel expenses of the judges shall be paid upon the written certificate of the judge.

UNITED STATES MARITIME COMMISSION

Salaries and expenses: For expenses necessary for carrying into effect the Merchant Marine Act, 1936, and other laws administered by the United States Maritime Commission, ~~$62,380,424~~ *$63,054,424* within limitations as follows:

Administrative expenses, including personal services in the District of Columbia; printing and binding; not to ex-

ceed $2,000 for newspapers and periodicals; not to exceed $17,700 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and not to exceed $1,125 for entertainment of officials of other countries when specifically authorized by the Chairman; in all, not to exceed $8,950,142, together with not to exceed $586,648 of the unobligated balance in the Federal ship mortgage insurance fund, revolving fund: *Provided,* That the Maritime Commission is authorized to dispense with the administrative audit of agents' accounts covering voyages beginning prior to April 1, 1949;

New ship construction, including reconditioning and betterment, as authorized by title V of the Merchant Marine Act, 1936 (except for construction of two prototype vessels under title VII of said Act), $26,875,000, of which $12,000,000 is for payment of obligations incurred under authority granted under this head in the Supplemental Independent Offices Appropriation Act, 1949, to enter into contracts for new ship construction in an amount not to exceed $75,000,000; and, in addition, the Commission is authorized to enter into contracts for new ship construction in an amount not to exceed ~~$70,125,000~~ *$50,000,000*: *Provided,* That not to exceed $104,000,000 of the funds and contract authority made available for new ship construction, including reconditioning and betterment, in the Supplemental

Independent Offices Appropriation Act, 1949, shall continue to be available until September 30, 1949: *Provided further*, That any funds and contract authority available for new ship construction under the limitation herein, and any funds and contract authority available for new ship construction in the Supplemental Independent Offices Appropriation Act, 1949, shall be available during the fiscal year 1950 in such amounts as may be necessary, in the *wise* discretion of the Commissioners *in all the circumstances*, for use in acquisition and completion of the vessels Mariposa and Monterey, or either of them, as authorized in the said Supplemental Independent Offices Appropriation Act, 1949;

Maintenance of shipyard facilities, ~~$109,700~~ *$443,700*;

Operation of warehouses, ~~$461,550~~ *$501,550*;

Operating-differential subsidies, $18,218,382: *Provided*, That to the extent that the operating-differential subsidy accrual (computed on the basis of parity) is represented on the operator's books by a contingent accounts receivable item against the Commission as a partial or complete offset to the recapture accrual, the operator (1) shall be excused from making deposits in the Special Reserve Fund and, (2) as to the amount of such earnings the deposit of which is so excused, shall be entitled to the same tax treatment as though it had been deposited in said Special Reserve Fund. To the extent that any amount paid to

the operator by the Commission reduces the balance in the operator's contingent receivable account against the Commission, such amount, unless it is forthwith deposited in the fund, shall be considered as withdrawn under section 607 (h) of the Merchant Marine Act, 1936, as amended;

Reserve fleet expense, ~~$6,534,800~~ *$7,134,800*;

Maintenance and operation of terminals, $510,850;

Miscellaneous expenses, including payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $420,000, of which $250,000 shall be available exclusively for liquidation of liens or claims which may take precedence over the Government's preferred mortgage on vessels.

Maritime training: For training personnel for the manning of the merchant marine (including operation of training stations at Kings Point, New York; Sheepshead Bay, New York; Pass Christian, Mississippi; Saint Petersburg, Florida; Alameda, California, and the United States Maritime Service Institute), including not to exceed $1,682,500 for personal services (exclusive of pay of cadet midshipmen and other trainees) in the District of Columbia and elsewhere; printing and binding; health-service program as authorized by law (5 U. S. C. 150); not to exceed $2,500 for contingencies for the Superintendent, United States Merchant Marine Academy, to be expended in his

discretion; and not to exceed $60,000 for transfer to applicable appropriations of the Public Health Service for services rendered the Commission, ~~$6,586,000~~ *$3,151,050.*

State marine schools: To reimburse the State of California, $50,000; the State of Maine, $50,000; the State of Massachusetts, $50,000; and the State of New York, $50,000; for expenses incurred in the maintenance and support of marine schools in such States as provided in the Act authorizing the establishment of marine schools, and so forth, approved March 4, 1911, as amended (34 U. S. C. 1121–1123) ; and for the maintenance and repair of vessels loaned by the United States to the said States for use in connection with such State marine schools, $170,000; in all, $370,000.

War Shipping Administration liquidation: Not to exceed $15,000,000 of the unexpended balance of the appropriation to the Secretary of the Treasury in the Second Supplemental Appropriation Act, 1948, for liquidation of obligations found by the General Accounting Office to have been properly incurred against funds of the War Shipping Administration prior to January 1, 1947, is hereby continued available during the current fiscal year.

Notwithstanding any other provision of this Act, the Commission is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under

control of the Commission, and payments received by the Commission for utilities, services, and repairs so furnished or made shall be credited to the appropriation charged with the cost thereof: *Provided,* That rental payments under any such lease, contract, or occupancy on account of items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

The United States Maritime Commission shall not incur any obligations during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act: *Provided,* That nothing contained herein and in the Independent Offices Appropriation Act, 1948, shall be construed to affect the authority of the Commission pursuant to the provisions of section 603 (a) of the Merchant Marine Act, 1936, as amended, (1) to grant operating differential subsidies on a long-term basis and (2) to obligate the United States to make future payments in accordance with the terms of such operating-differential subsidy contracts, and all receipts which otherwise would be deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts.

VETERANS' ADMINISTRATION

Administration, medical, hospital, and domiciliary services: For necessary expenses of the Veterans' Administration, including maintenance and operation of medical, hospital, and domiciliary services, in carrying out the functions pursuant to all laws for which the Administration is charged with administering, including personal services in the District of Columbia; health-service program as authorized by law (5 U. S. C. 150); purchase of one hundred and thirty-one passenger motor vehicles for replacement only; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); maintenance and operation of farms; recreational articles and facilities at institutions maintained by the Veterans' Administration; expenses incidental to securing employment for war veterans; funeral, burial, and other expenses incidental thereto for beneficiaries of the Veterans' Administration except burial awards authorized by Veterans' Administration Regulation Numbered 9 (a), as amended; aid to State or Territorial homes in conformity with the Act approved August 27, 1888, as amended (24 U. S. C. 134), for the support of veterans eligible for admission to Veterans' Administration facilities for hospital or domiciliary care; not to exceed $5,600 for newspapers and periodicals; and not to exceed $56,800 for the preparation, shipment, installation, and display of exhibits, photographic displays, moving pictures, and other visual educational in-

formation and descriptive material, including the purchase or rental of equipment; ~~$820,673,940~~ *$845,073,940*, from which allotments and transfers may be made to the Federal Security Agency (Public Health Service), the Army, Navy, and Interior Departments, for disbursement by them under the various headings of their applicable appropriations, of such amounts as are necessary for the care and treatment of beneficiaries of the Veterans' Administration: *Provided*, That no part of this appropriation shall be used in pay in excess of one hundred persons engaged in public relations work: *Provided further*, That no part of this appropriation shall be expended for the purchase of any site for or toward the construction of any new hospital or home, or for the purchase of any hospital or home; and not more than $3,254,900 of this appropriation may be used to repair, alter, improve, or provide facilities in the several hospitals and homes under the jurisdiction of the Veterans' Administration either by contract or by the hire of temporary employees and the purchase of materials: *Provided further*, That hereafter the Administrator shall assign as his representatives, as provided for in the last sentence of section 1100 (a) of the Servicemen's Readjustment Act of 1944 (38 U. S. C. 696f), only such numbers of regional or sectional representatives as he finds necessary to provide for the processing of readjustment allowances in an efficient and

economical manner~~, and any such representative may be assigned to one or more States (without regard to residence in any State to which assigned) as may be necessary to carry out the intent of this proviso~~: *Provided further, That at least one of such representatives shall be assigned to and reside in each State.*

Tort claims: For payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $15,000.

Pensions: For the payment of compensation, pensions, gratuities, and allowances (including subsistence allowances authorized by part VII of Veterans Regulation 1a, as amended), authorized under any Act of Congress, or regulation of the President based thereon, including emergency officers' retirement pay and annuities, the administration of which is now or may hereafter be placed in the Veterans' Administration, and for the payment of adjusted-service credits as provided in sections 401 and 601 of the Act of May 19, 1924, as amended (38 U. S. C. 631 and 661), $1,998,801,000, to be immediately available and to remain available until expended.

Readjustment benefits: For the payment of benefits to or on behalf of veterans as authorized by titles II, III, and V, of the Servicemen's Readjustment Act of 1944, $2,197,503,000, to be immediately available and to remain available until expended: *Provided,* That no part of this appropriation

for education and training under title II of the Servicemen's Readjustment Act, as amended, shall be expended for tuition, fees, or other charges, or for subsistence allowance, for any course elected or commenced by a veteran on or subsequent to July 1, 1948, and which is determined by the Administrator to be avocational or recreational in character. For the purposes of this proviso, education or training for the purpose of teaching a veteran to fly or related aviation courses in connection with his present or contemplated business or occupation ~~shall not be considered avocational or recreational~~ *shall not, in the absence of substantial evidence to the contrary, be considered avocational or recreational when a certificate, in the form of an affidavit supported by two corroborating affidavits, has been furnished by a physically qualified veteran stating that such education or training is desired by him for use in connection with his present or contemplated business or occupation.*

Military and naval insurance: For military and naval insurance, $3,735,000, to be immediately available and to remain available until expended.

Hospital and domiciliary facilities: The authority under this head in the Third Urgent Deficiency Appropriation Act, 1946, the Independent Offices Appropriation Act, 1948, and the Supplemental Independent Offices Appropriation Act, 1949, to incur obligations for the purposes specified in those Acts, is hereby extended to July 1, 1951:

Provided, That not to exceed 6.7 per centum of the foregoing contract authorizations shall be available for the employment in the District of Columbia and in the field of all necessary technical and clerical personnel for the preparation of plans and specifications for the projects as approved hereunder and in the supervision of the execution thereof, and for all travel expenses, field office equipment, and supplies in connection therewith, except that whenever the Veterans' Administration finds it necessary in the construction of any project to employ other Government agencies or persons outside the Federal service to perform such services not to exceed 10 per centum of the cost of such projects may be expended for such services: *Provided further,* That not to exceed $10,000,000 of the foregoing contract authorizations shall be obligated for portable initial equipment, including the purchase of one hundred and fifty-one passenger motor vehicles.

National service life insurance: For the payment of benefits and for transfer to the national service life insurance fund, in accordance with the National Service Life Insurance Act of 1940, as amended, ~~$49,374,000~~ *$467,450,000,* to be immediately available and to remain available until expended: *Provided,* That certain premiums shall be credited to this appropriation as provided by the Act: *Provided further, That no part of this fund shall be used to pay insurance dividends to any policyholder whose premiums were*

paid by the United States Government and that such dividends that may accrue shall be deposited in the Treasury as miscellaneous receipts.

Veterans' miscellaneous benefits: For the payment of burial awards authorized by Veterans' Administration Regulation Numbered 9 (a), as amended, and for supplies, equipment, and tuition authorized by part VII and payments authorized by part IX of Veterans' Administration Regulation Numbered 1 (a), as amended, $75,330,000, to remain available until expended.

No part of the foregoing appropriations shall be available for hospitalization or examination of any persons except beneficiaries entitled under the laws bestowing such benefits to veterans, unless reimbursement of cost is made to the appropriation at such rates as may be fixed by the Administrator of Veterans' Affairs.

INDEPENDENT OFFICES—GENERAL PROVISIONS

SEC. 102. No part of any appropriation contained in this title shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or

violence: *Provided,* That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further,* That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this title shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 103. Where appropriations in this title are expendable for travel expenses of employees and no specific limita-

tion has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth therefor in the budget estimates submitted for the appropriations.

SEC. 104. Where appropriations in this title are expendable for the purchase of newspapers and periodicals and no specific limitation has been placed thereon, the expenditures therefor under each such appropriation may not exceed the amount of $50: *Provided,* That this limitation shall not apply to the purchase of scientific, technical, trade, or traffic periodicals necessary in connection with the performance of the authorized functions of the agencies for which funds are herein provided.

SEC. 105. No part of any appropriation contained in this title shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the armed forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Civil Service Commission as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 106. Appropriations contained in this title, avail-

able for expenses of travel, shall be available, when specifically authorized by the head of the activity or establishment concerned, for expenses of attendance at meetings of organizations concerned with the function or activity for which the appropriation concerned is made; and shall be available for the examination of estimates of appropriations and activities in the field.

SEC. 107. No part of any appropriation or fund contained in this title shall be available for installing or maintaining systems for administrative appropriation, fund, or inventory accounting except such systems as are prescribed or approved by the Comptroller General: *Provided,* That all agencies, for whose activities provision is made in this title, shall hereafter maintain fiscal-accounting control of all inventories of supplies, materials, or equipment which may be owned by or be in the custody of such agencies~~: *Provided further,* That this section shall not be applicable to corporations or agencies subject to the Government Corporation Control Act, as amended~~.

~~SEC. 108. Where provision is made in this title specifically setting forth the salary of any officer or employee, such salary rate shall be effective immediately upon the passage of this Act.~~

SEC. ~~109~~ *108*. No part of any appropriations made avail-

able by the provisions of this title shall be used for the purchase or sale of real estate or for the purpose of establishing new offices outside the District of Columbia: *Provided,* That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor.

SEC. ~~110~~ *109*. All agencies provided for in this title shall furnish an administrative break-down of the costs of personnel and other obligations in the District of Columbia and in the field in such detail as the Subcommittees on Independent Offices Appropriations of the Committees on Appropriations of the Senate and the House of Representatives may direct.

~~SEC. 111. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and twenty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided,* That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-~~

~~service examiners; wage administration; and processing, recording, and reporting.~~

SEC. 110. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel services when the ratio of positions for personnel services to the number of full-time, part-time, and intermittent positions which can be financed under funds available to the agency concerned exceeds such ratio as is determined by the Bureau of the Budget to be necessary for the proper performance of the personnel services of the agency: Provided, That this prohibition shall apply to employees who devote 50 per centum or more of their time to administrative services and all or a portion of that time to personnel services performed for civilian employees in the continental United States, comprising direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

SEC. 111. None of the sections under the head "Independent offices—General provisions" in this title, except section 102, shall apply to the Housing and Home Finance Agency, the Inland Waterways Corporation, or the Tennessee Valley Authority.

TITLE II

CORPORATIONS

The following corporations and agencies, respectively, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Budget for the fiscal year 1950 for each such corporation or agency, except as hereinafter provided:

HOUSING AND HOME FINANCE AGENCY

Home Loan Bank Board: Not to exceed a total of $427,500 to be derived from the special deposit account established under the provisions under the head "Federal Home Loan Bank Administration" in the Independent Offices Appropriation Act, 1944, and from receipts of the Federal Home Loan Bank Administration, the Federal Home Loan Bank Board, or the Home Loan Bank Board for the current fiscal year and prior fiscal years, shall be available during the current fiscal year for administrative expenses of the Home Loan Bank Board, including health-service program as authorized by law (5 U. S. C. 150), and the Board may utilize and may make payment for services and

facilities of the Federal home-loan banks, the Federal Reserve banks, the Federal Savings and Loan Insurance Corporation, the Home Owners' Loan Corporation, and other agencies of the Government: *Provided,* That all necessary expenses in connection with the conservatorship of institutions insured by the Federal Savings and Loan Insurance Corporation and all necessary expenses (including services performed on a contract or fee basis, but not including other personal services) in connection with the handling, including the purchase, sale, and exchange, of securities on behalf of Federal home-loan banks, and the sale, issuance, and retirement of, or payment of interest on, debentures or bonds, under the Federal Home Loan Bank Act, as amended, shall be considered as nonadministrative expenses for the purposes hereof: *Provided further,* That notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of the Board shall be incurred, allowed, and paid in accordance with the provisions of the Federal Home Loan Bank Act of July 22, 1932, as amended (12 U. S. C. 1421–1449).

Federal Savings and Loan Insurance Corporation: Not to exceed $617,500 shall be available for administrative expenses, including health-service program as authorized by law (5 U. S. C. 150), which shall be on an

accrual basis and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, expenses in connection with liquidation of insured institutions, liquidation or handling of assets of or derived from insured institutions payment of insurance, and action for or toward the avoidance, termination, or minimizing of losses in the case of specific insured institutions, and legal fees and expenses, and said Corporation may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Home Loan Bank Board, the Home Owners' Loan Corporation, and other agencies of the Government: *Provided*, That notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of said Corporation shall be incurred, allowed, and paid in accordance with title IV of the Act of June 27, 1934, as amended (12 U. S. C. 1724–1730).

Home Owners' Loan Corporation: Not to exceed $1,823,250 shall be available for ~~administive~~ *administrative* expenses, including health-service program as authorized by law (5 U. S. C. 150), which shall be on an accrual basis and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, expenses (including services performed on a force account, contract, or fee basis, but not including other personal services) in connection with the ac-

quisition, protection, operation, maintenance, improvement, or disposition of real or personal property belonging to said Corporation or in which it has an interest, and legal fees and expenses, and said Corporation may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and other agencies of the Government: *Provided*, That, notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of said Corporation shall be incurred, allowed, and paid in accordance with the Home Owners' Loan Act of 1933, as amended (12 U. S. C. 1461–1468).

Federal Housing Administration: In addition to the amounts available by or pursuant to law (which shall be transferred to this authorization) for the administrative expenses of the Federal Housing Administration in carrying out duties imposed by or pursuant to law, not to exceed ~~$21,860,750~~ *$22,860,750* of the various funds of the Federal Housing Administration as follows: (1) the mutual mortgage insurance fund; (2) the housing insurance fund; (3) the account in the Treasury comprised of funds derived from premiums collected under authority of section 2 (f),

title I of the National Housing Act, as amended (12 U. S. C. 1701); (4) the war housing insurance fund; and (5) the housing investment insurance fund shall be available for expenditure, in accordance with the provisions of said Act for the administrative expenses of the Federal Housing Administration, including purchase of not to exceed one passenger motor vehicle, for replacement only; not to exceed $1,500 for periodicals and newspapers; not to exceed $1,500 for contract actuarial services; and health-service program as authorized by law (5 U. S. C. 150): *Provided,* That necessary expenses of the Administration (including services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, protection, completion, operation, maintenance, improvement, or disposition of real or personal property of the Administration acquired under authority of titles I, II, VI, and VII of said National Housing Act, shall be considered as nonadministrative for the purposes hereof: *Provided further,* That, except as herein otherwise provided, the administrative expenses and other obligations, including nonadministrative expenses, of the Administration shall be incurred, allowed, and paid in accordance with the provisions of said Act of June 27, 1934, as amended (12 U. S. C. 1701).

Public Housing Administration: Of the amounts available by or pursuant to law for the administrative expenses

of the Public Housing Administration in carrying out duties imposed by or pursuant to law including not to exceed $2,329,550 of the funds available for administrative expenses for the United States Housing Act program, not to exceed $8,054,600 shall be available for such expenses, including purchase of not to exceed five passenger motor vehicles, for replacement only; and a health-service program as authorized by law (5 U. S. C. 150): *Provided*, That necessary expenses of providing representatives of the Administration at the sites of non-Federal projects in connection with the construction of such non-Federal projects by public housing agencies with the aid of the Administration, shall be compensated by such agencies by the payment of fixed fees which in the aggregate in relation to the development costs of such projects will cover the cost of rendering such services, and expenditures by the Administration for such purpose shall be considered nonadministrative expenses, and funds received from such payments may be used only for the payment of necessary expenses of providing representatives of the Administration at the sites of non-Federal projects or for administrative expenses of the Administration not in excess of the amount authorized by the Congress~~: *Provided further,* That the Administrator of the Housing and Home Finance Agency may relinquish and transfer, pursuant to the same general terms and con-~~

ditions specified in subsection 505 (a) and (b) of the Act of October 14, 1940, as added by the Act of June 28, 1948 (Public Law 796), title to temporary housing provided for certain veterans and their families under title V of said Act of October 14, 1940, as amended, to any State, county, city, or other public body: *Provided further,* That any application for such relinquishment and transfer shall be filed with the Administrator within one hundred and twenty days after the approval of this Act.

Liquidation of resettlement projects: Not to exceed $19,800 of the receipts derived from the operation of the projects transferred under section 4 (b) of Reorganization Plan Numbered 3 of 1947 shall be available for necessary expenses in connection with and to facilitate disposition of the suburban resettlement projects known as Greenbelt, Greendale, and Greenhills including services in accordance with section 15 of the Act of August 2, 1946 (5 U. S. C. 55a).

INLAND WATERWAYS CORPORATION

Inland Waterways Corporation (administered under the supervision and direction of the Secretary of Commerce): Not to exceed $522,000 shall be available for administrative expenses, to be determined in the manner set forth under the title "General expenses" in the Uniform System of Accounts for Carriers by Water of the Interstate Commerce Commis-

sion (effective January 1, 1947) : *Provided,* That no funds shall be used to pay compensation of employees normally subject to the Classification Act of 1923, as amended, at rates in excess of rates fixed for similar services under the provisions of the Classification Act, as amended, nor to pay the compensation of vessel employees and such terminal and other employees as are not covered by the Clasification Act, at rates in excess of rates prevailing in the river transportation industry in the area (including prevailing leave allowances for vessel employees, but the granting of such allowances shall not be construed as establishing a different leave system within the meaning of that term as used in section 3 of the Act of December 21, 1944 (5 U. S. C. 61d)).

TENNESSEE VALLEY AUTHORITY

Not to exceed $3,699,000 of the funds available to the Tennessee Valley Authority, shall be available during the current fiscal year for all administrative and general expenses of the Corporation, which expenses shall be inclusive of costs of all administrative offices and other activities representing management and other functions serving the programs and projects of the Corporation in general.

CORPORATIONS—GENERAL PROVISIONS

SEC. 202. No part of the funds of, or available for expenditure by, any corporation or agency included in this

title shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from

any funds available to any corporation or agency included in this title shall be guilty of a felony, and upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing laws.

~~SEC. 203. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and twenty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided,* That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil service examiners; wage administration; and processing, recording, and reporting.~~

SEC. 203. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any em-

ployee engaged in personnel services when the ratio of positions for personnel services to the number of full-time, part-time, and intermittent positions which can be financed under funds available to the agency concerned exceeds such ratio as is determined by the Bureau of the Budget to be necessary for the proper performance of the personnel services of the agency: Provided, That this prohibition shall apply to employees who devote 50 per centum or more of their time to administrative services and all or a portion of that time to personnel services performed for civilian employees in the continental United States, comprising direction and administration of the personnel program; employment, placement, and separation; job evalnation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

TITLE III—GENERAL PROVISIONS

DEPARTMENTS AND AGENCIES

SEC. 301. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year, in accordance with section 16 of the Act of August 2, 1946 (5 U. S. C. 78), for the purchase of any passenger motor vehicle (exclusive of busses, ambulances, and station wagons), is hereby fixed at $1,400.

SEC. 302. Unless otherwise specified and during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act who, being eligible for citizenship, had filed a declaration of intention to become a citizen of the United States prior to such date, or (3) is a person who owes allegiance to the United States: *Provided,* That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further,* That any person making a false affidavit shall be guilty of a felony and, upon conviction, shall be fined not more than $4,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further,* That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government.

This section shall not apply to citizens of the Republic of the Philippines or to nationals of those countries allied with the United States in the prosecution of the war.

~~SEC. 303. Appropriations for the executive departments and independent establishments for the current fiscal year available for travel expenses shall be available for the payment of per diem allowances in lieu of subsistence expenses without regard to the Subsistence Expense Act of 1926, as amended (5 U. S. C. 821–833), to civilian officers and employees of such departments and establishments while traveling on official business outside the continental limits of the United States and away from their designated posts of duty: *Provided,* That the amount of such allowances shall be determined by the head of the department or independent establishment concerned or by such official as he may designate for the purpose, but shall, in no case, notwithstanding any other provision of law, exceed the maximum established by regulations prescribed by the President for the locality in which the travel is performed.~~

SEC. ~~304~~ *303*. Appropriations of the executive departments and independent establishments for the current fiscal year, available for expenses of travel or for the expenses of the activity concerned, are hereby made available for living quarters allowances in accordance with the Act of

June 26, 1930 (5 U. S. C. 118a), and regulations prescribed thereunder, and cost-of-living allowances similar to those allowed under section 901 (2) of the Foreign Service Act of 1946, in accordance with and to the extent prescribed by regulations of the President, for all civilian officers and employees of the Government permanently stationed in foreign countries: *Provided*, That the availability of appropriations made to the Department of State for carrying out the provisions of the Foreign Service Act of 1946 shall not be affected hereby.

SEC. ~~305~~ *304*. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve of the nomination of said person.

SEC. ~~306~~ *305*. No part of any appropriation contained in this or any other Act shall be used to pay in excess of $4 per volume for the current and future volumes of the United States Code Annotated and such volumes shall be purchased on condition and with the understanding that latest published cumulative annual pocket parts issued prior to the date of purchase shall be furnished free of charge, or in excess

of $4.25 per volume for the current or future volumes of the Lifetime Federal Digest.

CORPORATIONS

SEC. ~~307~~ *306*. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to the Government Corporation Control Act, as amended (31 U. S. C. 841), shall be available, in addition to objects for which such funds are otherwise available, for personal services and rent in the District of Columbia; printing and binding: examination of budgets and estimates of appropriations in the field; travel expenses in accordance with the Standardized Government Travel Regulations, the Subsistence Expense Act of 1926, as amended (except as to per diem rates outside continental United States) and the Act of February 14, 1931, as amended (5 U. S. C. 73a): services in accordance with section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and the objects specified in the sections of this title under the head "Departments and agencies", all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided,* That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

SEC. ~~308~~ *307*. No part of any funds of or available to any wholly owned Government corporation shall be used for the purchase or construction, or in making loans for the purchase or construction of any office building at the seat of government primarily for occupancy by any department or agency of the United States Government or by any corporation owned by the United States Government.

SEC. ~~309~~ *308*. Funds of corporations and agencies, subject to the Government Corporation Control Act, as amended, covered by the provisions of this or any other Act shall be available during the current fiscal year for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672).

SEC. ~~310~~ *309*. After June 30, 1949, the corporations or agencies subject to the Government Corporation Control Act, as amended (31 U. S. C. 841), are authorized, with the approval of the Comptroller General, to consolidate, notwithstanding the provisions of any other law, into one or more accounts for banking and checking purposes all cash, including amounts appropriated, from whatever source derived: *Provided,* That such cash, including amounts appropriated, of such corporations or agencies shall be expended in accordance with the applicable terms of their respective enabling acts and any other acts applicable to their transactions.

TITLE IV—REDUCTIONS IN APPROPRIATIONS

Amounts available from appropriations and other funds are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this Act, except as otherwise indicated:

FUNDS APPROPRIATED TO THE PRESIDENT

Payments, Armed Forces Leave Act, 1946: $135,000,000.

Overtime, leave, and holiday compensation: The balance remaining unobligated on June 30, 1949, such balance to be carried to the surplus fund and covered into the Treasury immediately thereafter.

FEDERAL WORKS AGENCY

Office of the Administrator: Public works advance planning under title V of the War Mobilization and Reconversion Act of 1944, $4,164,000.

VETERANS' ADMINISTRATION

Administrative facilities: $1,250,000.

Vocational Rehabilitation Revolving Fund: $500,000.

This Act may be cited as the "Independent Offices Appropriation Act, 1950".

Passed the House of Representatives April 14, 1949.

Attest: RALPH R. ROBERTS,

Clerk.

Calendar No. 639

81ST CONGRESS
1ST SESSION

H. R. 4177

[Report No. 639]

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

APRIL 18 (legislative day, APRIL 11), 1949
Read twice and referred to the Committee on Appropriations

JULY 8 (legislative day, JUNE 2), 1949
Reported with amendments

81ST CONGRESS
1ST SESSION

H. R. 4177

IN THE SENATE OF THE UNITED STATES

JULY 11 (legislative day, JUNE 2), 1949
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. PEPPER to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, viz:

On page 58, line 2, strike out "$845,073,940" and insert in lieu thereof "$893,073,940".

81ST CONGRESS
1ST SESSION

H. R. 4177

AMENDMENT

Intended to be proposed by Mr. PEPPER to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

JULY 11 (legislative day, JUNE 2), 1949
Ordered to lie on the table and to be printed

81ST CONGRESS
1ST SESSION

H. R. 4177

IN THE SENATE OF THE UNITED STATES

JULY 12 (legislative day, JUNE 2), 1949
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. PEPPER to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, viz:

On line 17, page 61, substitute a colon for the period appearing after the word "vehicles" and insert the following: "*Provided further*, That the authorization to contract for the construction of additional hospital beds, contained in this Act, shall be available to complete the sixteen-thousand-bed program which was eliminated in the Budget estimates furnished the Congress, and that notwithstanding any other provision of law, the Administrator is directed to complete same in accordance with the authorization."

7-12-49——F

81ST CONGRESS
1ST SESSION

H. R. 4177

AMENDMENT

Intended to be proposed by Mr. PEPPER to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

JULY 12 (legislative day, JUNE 2), 1949
Ordered to lie on the table and to be printed

81ST CONGRESS
1ST SESSION

H. R. 4177

IN THE SENATE OF THE UNITED STATES

JULY 13 (legislative day, JUNE 2), 1949
Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. SALTONSTALL to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, viz:

On Page 54, line 20, strike out "$1,682,500" and insert in lieu thereof "$3,065,000".

Page 55, line 1, strike out "$60,000" and insert in lieu thereof "$100,000".

Page 55, line 3, strike out "$3,151,050" and insert in lieu thereof "$6,586,000, including the pay of cadet midshipmen and other trainees".

7-13-49——E

81ST CONGRESS
1ST SESSION

H. R. 4177

AMENDMENTS

Intended to be proposed by Mr. SALTONSTALL to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

JULY 13 (legislative day, JUNE 2), 1949
Ordered to lie on the table and to be printed

81ST CONGRESS
1ST SESSION

H. R. 4177

IN THE SENATE OF THE UNITED STATES

JULY 21 (legislative day, JUNE 2), 1949
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. O'MAHONEY to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, viz: On page 63, after line 23, insert a new paragraph as follows:

SEC. 102. (a) No part of any appropriation contained in this title for the Atomic Energy Commission shall be used to confer a fellowship on any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence or with respect to whom the Commission finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and loyalty of

whom, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States: *Provided*, That any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence and accepts employment the salary, wages, stipend, or expenses for which are paid from any appropriation contained in this title shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law.

81ST CONGRESS
1ST SESSION

H. R. 4177

AMENDMENT

Intended to be proposed by Mr. O'MAHONEY to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

JULY 21 (legislative day, JUNE 2), 1949
Ordered to lie on the table and to be printed

certain property to national veterans' organizations, and for other purposes;

H. R. 4705. An act to transfer the office of the probation officer of the United States District Court for the District of Columbia, the office of the Register of Wills for the District of Columbia, and the Commission on Mental Health, from the government of the District of Columbia to the Administrative Office of the United States Courts, for budgetary and administrative purposes;

H. R. 4804. An act to record the lawful admission to the United States for permanent residence of Karl Frederick Kucker;

H. R. 4963. An act to provide for the appointment of additional circuit and district judges, and for other purposes;

H. R. 5508. An act to amend the Army and Air Force Vitalization and Retirement Equalization Act of 1948; and

H. J. Res. 170. Joint resolution designating June 14 of each year as Flag Day.

APPROPRIATION FOR INDEPENDENT OFFICES, 1950

Mr. O'MAHONEY. Mr. President, in view of the fact that the ECA appropriation bill has been, by the ruling of the Chair on the point of order, sent back to the Committee on Appropriations, I desire, if the Senator from Illinois will yield for that purpose, to move that the Senate proceed to the consideration of Calendar No. 639, which is House bill 4177, the independent offices bill for 1950.

The VICE PRESIDENT. The Chair will state that when the Senate took up consideration of the ECA appropriation bill, it temporarily laid aside the unfinished business, which was the minimum wage bill. A motion now to proceed to any other bill would automatically, if agreed to, set aside the unfinished business.

Mr. O'MAHONEY. Mr. President, I would not desire to do that, so that my request, if I may state it as a unanimous consent request, is that the unfinished business may be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 639, H. R. 4177, which is the appropriation bill for the executive offices and sundry civil offices.

The VICE PRESIDENT. Is there objection to the request?

Mr. WHERRY. Mr. President, reserving the right to object, the unfinished business is the so-called wages and hours bill, is it not?

The VICE PRESIDENT. It is the minimum wage bill. Is there objection to the request?

There being no objection, the Senate proceeded to consider the bill (H. R. 4177) making appropriations for the executive offices and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

The VICE PRESIDENT. Does the Senator from Wyoming wish the committee amendments considered first?

Mr. O'MAHONEY. Yes, Mr. President. I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. WHERRY. Mr. President, if I may suggest to the Senator from Wyoming, copies of the bill have not been distributed. We should like to have them before us as we proceed with the committee amendments.

The VICE PRESIDENT. The clerks will submit copies of the bill to Senators.

Mr. WHERRY. I thank the Chair.

The PRESIDING OFFICER (Mr. HOEY in the chair). The clerk will proceed to state the committee amendments.

Mr. O'MAHONEY. Mr. President, before that is done, I think I should acquaint the Senate with the fact that except for the appropriation bill for the National Military Establishment, the measure which the Senate is now considering carries the largest sum which has been reported in any other bill. Lest there should be any misunderstanding of the meaning of the size of the appropriation which is here reported, amounting to a little in excess of $7,636,000,000, or approximately one-fifth of the total budget submitted this year, I call to the attention of the Senate the fact that the items are largely war-connected expenditures of one kind or another. In other words, 80 percent of the appropriations contained in the bill deal in one way or another with the fact that we were in World War II and that we are now conducting national defense.

There is a very substantial appropriation for the veterans' services. There is another very substantial appropriation for atomic energy. There are numerous items in the bill which also deal with war-connected expenditures. Of the contract authorizations which are contained in the bill 100 percent have to do with defense or preparations for defense. The exact list is as follows:

For the American Battle Monuments Commission, $5,920,800.

For the Atomic Energy Commission, $702,930,769.

For the Displaced Persons Commission, $4 210,000.

The National Advisory Committee for Aeronautics, $53,710,000.

National Archives for World War II records, $150,000.

Philippine War Damage Commission, $134,000,000.

The Selective Service System, $9,000,000.

Veterans' Administration, $5,587,907,940.

If to those items there be added the appropriation of $66,575,474 for the Maritime Commission, in connection with new ships which are rated by their true carrying capacity, the total amount of war-connected expenditures in this bill is $6,615,204,983; and the contract authorizations for the American Battle Monuments Commission, the Atomic Energy Commission, the National Advisory Committee for Aeronautics, and, again, the Maritime Commission, total $452,189,628, making a 100-percent war-connected contract-authorization phase of the bill.

In addition to that, Mr. President, the bill covers 33 civilian agencies of the Government. Of the 33, 8 made no appeal to the Senate. Twenty-five of them did.

The Senate committee began its hearings on the 11th of May and was not able to report the bill to the Senate until July 8; so that practically 2 months were devoted by the subcommittee and the full committee to the consideration of this measure.

I thought, Mr. President, it was appropriate that this preliminary statement should be made with respect to the character of the bill.

I now ask that the committee amendments be considered.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Executive Office of the President—Bureau of the Budget," on page 4, line 23, after the word "elsewhere", to strike out the comma and "including the salary of the Director at $12,000 per annum so long as the position is held by the present incumbent."

The amendment was agreed to.

The next amendment was on page 5, line 8, after "(28 U. S. C. 2672)", to strike out "$2,983,040", and insert "$3,314,500."

Mr. BRIDGES. Mr. President, in this bill it will be seen that there is a whole series of increases, most of which have to do with additional personnel in the various bureaus and departments. There may be some exceptions, but, by and large, in this country today, the last thing we need in most of the departments is additional personnel. For that reason, I think there is no doubt that the great majority of the departments could get by with their existing personnel. To start with, I think the Bureau of the Budget is one department which could do so. The bill increases the number of personnel in the Bureau of the Budget by 53 individuals, from 481 to 534 persons. For that reason, in a parliamentary sense, I express myself in opposition to the committee amendment and in favor of the retention of the House figure.

Mr. O'MAHONEY. Mr. President, let me say that I appreciate the position of the Senator from New Hampshire. The subcommittee and the committee as a whole scrutinized these various items with great care. Some requests for additions were granted and some were rejected. Those which were granted were granted upon the conviction on the part of the committee that it would be in the interest of good government efficiency and, I may say, economy, that the increases should be allowed. That is particularly true with respect to the pending committee amendment dealing with the Bureau of the Budget. The Bureau of the Budget has been clothed with new functions. The Congress, at this very session, has enacted the bill authorizing the President of the United States, upon the recommendation of the so-called Hoover Commission, to reorganize the Government by submitting reorganization plans to be considered by the Congress. It is well known that that work

is under the direction of the Bureau of the Budget.

Mr. BRIDGES. Mr. President, am I to gather from what the Senator says that the purpose of the Hoover Commission's report is to add new personnel? I thought it was to promote efficiency and to reduce expenses.

Mr. O'MAHONEY. The Senator knows there was no such inference to be drawn from anything I said, but I do say to the Senator that the recommendations of the Hoover Commission cannot be effectively carried out unless the Bureau of the Budget is staffed so as to do the work. This is the first time in my experience as a member of the Committee on Appropriations that the Bureau of the Budget has made any request of the Senate committee. I assure the Senator that the subcommittee and the full committee felt that this increase was altogether justified.

Mr. WHERRY. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. WHERRY. I deeply appreciate the observations made by the chairman of the subcommittee. I happen to be a member of the subcommittee, and certainly the distinguished chairman and the members were very conscientious and hard-working as they tackled the provisions of the pending bill. Because of the fact that I have to be on the floor, I did not attend all the sessions of the subcommittee, and for that reason I wish to make it perfectly clear that I associate myself with the observations made by the Senator from New Hampshire. I believe that if we are to call a halt in the costs of the Government the time to start is when we make the appropriations. I, for one, feel that the Government has enough personnel. It is always possible to justify appropriations by saying that an agency can be more efficient, that this or that could be performed more efficiently, that there are certain things to be done, and that because the Hoover Commission says this or that, personnel must be added. We can take any department of the Government, and, under such a justification, add personnel.

Mr. President, there is much in what the Senator from Wyoming says relative to the personnel, but the personnel of this Bureau, if we take the figures which have been furnished us, numbers over 500. It seems to me that with that personnel, if the Hoover Commission work is as important as they think it is, they had better use some of the personnel now doing something else in order to do the work of the Hoover Commission, and keep the personnel lower, instead of increasing it.

Mr. President, I am ready not only to associate myself with the distinguished Senator from New Hampshire in his observations, but I am ready to vote to sustain the House amount, if an amendment is offered. I am not going to ask for it, because apparently the Senate is determined, as to many of these matters, to go along and do as the Senate always has done, raise every appropriation. We are asked to raise this appropriation nearly half a billion dollars over the House amount. True, some of it had to be done because of authorizations—and I say that with all respect to the chairman—which call for appropriations. But it is the old story, that after a bill comes here, the Senate raises the appropriation of the other House. I wish to associate myself with the distinguished Senator from New Hampshire. I for one would not want to see the personnel increased, but kept at least where it is, or, if any change is made, decreased.

Mr. O'MAHONEY. Mr. President, I wish to say that the basis upon which my good friends make their argument does not exist. There is no increase of personnel, but there is increase of salaries, and I respectfully suggest that it was the Congress itself which ordained the raises in salary.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Just a moment. I wish to read from the justification which was presented to the committee. Among the reasons advanced were:

1. The Bureau of the Budget is responsible for achieving economy and efficiency throughout the Government; while the House reduction would save some funds in the Bureau's own expenditures, it would result in a much larger cost to the Government as a whole.

2. The House action ignores the recommendations of the Commission on Organization of the Executive Branch of the Government, which urged expansion, not contraction, of the work of the Bureau of the Budget.

I call to the attention of the Senator from New Hampshire and the Senator from Nebraska the fact that the Hoover Commission itself recommended the expansion of this Bureau.

Mr. President, I hope the Senate will grant the increase.

Mr. BRIDGES. Mr. President, so that there may be no misunderstanding, my personal check on this matter shows that there would be an increase of personnel by 53, from 481 to 534. That is a definite increase in personnel.

I am ready for a vote, and on this question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. O'MAHONEY. Mr. President, I wish to call attention to the fact that while it is true that this amendment would account for more personnel than the House provision, still the recommendation of the committee is for a lower personnel than was available under the appropriation bill passed by the last Congress.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Ecton	Hunt
Anderson	Ellender	Ives
Baldwin	Ferguson	Jenner
Brewster	Flanders	Johnson, Colo.
Bricker	Fulbright	Johnson, Tex.
Bridges	George	Johnston, S. C.
Butler	Gillette	Kefauver
Byrd	Graham	Kem
Cain	Green	Kerr
Capehart	Gurney	Kilgore
Chapman	Hayden	Knowland
Connally	Hendrickson	Langer
Cordon	Hickenlooper	Lodge
Donnell	Hill	Long
Douglas	Hoey	Lucas
Downey	Holland	McCarran
McCarthy	Mundt	Taft
McClellan	Murray	Taylor
McGrath	Myers	Thomas, Okla.
McKellar	Neely	Thomas, Utah
McMahon	O'Conor	Thye
Magnuson	O'Mahoney	Tobey
Malone	Russell	Vandenberg
Martin	Saltonstall	Wherry
Maybank	Schoeppel	Wiley
Miller	Smith, Maine	Williams
Millikin	Sparkman	Withers
Morse	Stennis	Young

The PRESIDING OFFICER (Mr. HOEY in the chair). A quorum is present.

The question is on the committee amendment on page 5, line 8, to strike out $2,983,050 and insert $3,314,500.

Mr. O'MAHONEY. Mr. President, I have been asked by Senators who have come to the floor in response to the quorum call to explain the amendment. It is a recommendation of the Appropriations Committee that the budget estimate for the Bureau of the Budget be allowed. That is an increase of $331,450. The increase has been criticized on the ground that it would increase the personnel. The fact is that it would leave the personnel of the Bureau of the Budget for the fiscal year 1950 exactly where it was placed for the fiscal year 1949. It does not increase the personnel over the number now employed by the Bureau. Of course, it does increase the personnel above that which was provided by the House figure.

The reason why the committee urges this increase is twofold. First, the Bureau of the Budget is clothed with the responsibility of checking upon the expenditures for all the Government agencies and bureaus. It has a tremendous job to do. If we are for economy this is the place where economy may be effectively administered.

In the second place we urge it because it harmonizes with the recommendation of the Hoover Commission. One of the recommendations of that Commission upon the reorganization of the executive branch of the Government was that the Bureau of the Budget should be expanded in order precisely to enable it to function more effectively in supervising the expenditures of all the Government bureaus and agencies. The committee has recommended the figure in the firm belief that it will permit economy, in the firm belief that failure to grant the increase will only have the effect of crippling the agency where efficient and effective administration of the expenditures of Government may be carried on. On behalf of the committee I wish to say that I hope the Senate may approve the committee amendment.

Mr. BRIDGES. Mr. President, in order that everyone may know it, I wish to say that in connection with this bill the question of additional personnel must be considered. I believe the average department or agency or bureau of Government has sufficient personnel today. The bill before us provides in all for a net increase of 14,740 employees over the House figure. I do not believe such an increase is necessary. In this amendment we are starting in on the Bureau of the Budget, for the increased amount would provide an increase of 53 employees over the House figure. I propose that the Senate reject the committee amendment and stand on the House figure, which will

maintain the personnel in this bureau at 481, a sufficient number to do the job.

Mr. O'MAHONEY. Mr. President, I must respond to the comment of the Senator by pointing out that the bill as reported by the Senate committee overall does not provide for personnel for the year 1950 as many as the same bureaus had for 1949. The fact of the matter is that this provision decreases the personnel below the figures allowed in the last appropriation bill for these offices.

Mr. MAYBANK. Mr. President, is the increase caused by Public Law 900?

Mr. O'MAHONEY. No. That has to do with salary increases.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 5, line 8.

Mr. DONNELL. Mr. President, may I inquire whether my ears fail me? As I understand, there is a direct contradiction in statements of fact. Am I mistaken?

Mr. O'MAHONEY. There is no contradiction in statements of fact. What the Senator from New Hampshire [Mr. BRIDGES] means, I am sure—and it is true—is that in the case of the Bureau of the Budget we are providing more personnel than was provided in the House bill. The House cut the budget estimate. We are restoring the cut made by the House, but in so doing we are not increasing the personnel above that for 1949. We are providing exactly the same number of employees for the fiscal year 1950 as the Bureau of the Budget now has.

Mr. DONNELL. I thank the Senator. I could not understand how there could be any conflict on the question of fact between the two Senators.

Mr. WHERRY. Mr. President, will the Chair state what the issue is, and what a "yea" or "nay" vote means on this amendment?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 5, line 8. The amendment represents an increase, as provided by the Senate committee. A vote of "yea" would be a vote in favor of the increase, and a vote "nay" would be a vote against the increase.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

The Senator from Delaware [Mr. FREAR], the Senator from Florida [Mr. PEPPER], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Maryland [Mr. TYDINGS] are detained on official business.

On this vote the Senator from Minnesota [Mr. HUMPHREY], who would vote "yea," if present, is paired with the Senator from New Jersey [Mr. SMITH], who would vote "nay," if present.

I announce further that on this vote the Senator from Maryland [Mr. TYDINGS] is paired with the Senator from Utah [Mr. WATKINS]. If present and voting, the Senator from Maryland would vote "yea" and the Senator from Utah would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness, and is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from New Jersey would vote "nay" and the Senator from Minnesota "yea."

The Senator from New York [Mr. DULLES] is detained on official business.

The Senator from Utah [Mr. WATKINS] is detained on official business, and is paired with the Senator from Maryland [Mr. TYDINGS]. If present and voting, the Senator from Utah would vote "nay" and the Senator from Maryland "yea."

The result was announced—yeas 51, nays 33, as follows:

YEAS—51

Anderson	Hunt	Miller
Chapman	Ives	Morse
Connally	Johnson, Colo.	Murray
Cordon	Johnson, Tex.	Myers
Douglas	Johnston, S. C.	Neely
Downey	Kefauver	O'Conor
Ellender	Kerr	O'Mahoney
Fulbright	Kilgore	Russell
George	Long	Saltonstall
Gillette	Lucas	Smith, Maine
Graham	McCarran	Sparkman
Green	McClellan	Stennis
Gurney	McGrath	Taylor
Hayden	McKellar	Thomas, Okla.
Hill	McMahon	Thomas, Utah
Hoey	Magnuson	Thye
Holland	Maybank	Withers

NAYS—33

Aiken	Ferguson	Martin
Baldwin	Flanders	Millikin
Brewster	Hendrickson	Mundt
Bricker	Hickenlooper	Schoeppel
Bridges	Jenner	Taft
Butler	Kem	Tobey
Byrd	Knowland	Vandenberg
Cain	Langer	Wherry
Capehart	Lodge	Wiley
Donnell	McCarthy	Williams
Ecton	Malone	Young

NOT VOTING—12

Chavez	Humphrey	Robertson
Dulles	McFarland	Smith, N. J.
Eastland	Pepper	Tydings
Frear	Reed	Watkins

So the amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, under the subhead "Council of Economic Advisers," on page 5, line 24, after "(28 U. S. C. 2672)", to strike out "$300,000" and insert "$340,000."

ADDITIONAL CIRCUIT AND DISTRICT JUDGES—CONFERENCE REPORT

Mr. MCCARRAN. Mr. President, inasmuch as the Senator from Michigan [Mr. FERGUSON] is now on the floor, I wish to state that there is at the desk a conference report on the bill known as the judges' bill. I ask unanimous consent that the report may be taken up at this time.

The PRESIDING OFFICER. The report will be read.

The report was read.

(For conference report, see House proceedings of July 25, 1949, pp. 10327–10329.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MCCARRAN. Mr. President, I understand that the Senator from Michigan wishes to be heard on this matter.

Meantime, I move that the report be adopted.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

Mr. FERGUSON. I did not sign the conference report, and I think an explanation of my position is due. The reason why I did not sign the report is that in recent years there has been a development which gives great concern to all who cherish the ideals and traditions of justice. It is a debasement of the courts in the mind of the public.

Fundamentally there appears to be involved the fact that in the administration of justice we are having appointed to the bench, men who lack the broad vision which we have traditionally associated with the courts, or men whose vision is restricted by the nature of their experience before ascending the bench.

Senate bill 1871, which was passed by the Senate last night, indicates how the Senate feels about Government employees who leave the Government service to go into private business. I call attention to that measure because it is along the same line that I wish to speak today. Last night we said, in effect, that an employee of the Reconstruction Finance Corporation cannot be employed, until a period of 2 years had passed, by anyone who borrowed money from the Reconstruction Finance Corporation while that person was serving in that agency of the Government.

In the report we are now considering there was inserted—and it was the desire of the Senate at one time that such a provision be placed in this bill relating to the appointment of judges—a provision that anyone who feels that the judge is not qualified to serve in a certain case because he had formerly worked for a certain Government department, may file an affidavit to that effect, and then a new judge or a new trial before another court can be had.

Here is what I think has developed in the administration of justice: We are discovering that the Government departments have literally thousands of lawyers. When the President appoints Federal judges, through the Office of the Attorney General, we find that the Department of Justice, the FBI, and various other Government agencies are supplying the judges for the United States. In other words, the matter is becoming a political one, rather than of trying to get men of judicial caliber.

The able chairman of the Judiciary Committee, the Senator from Nevada [Mr. MCCARRAN] realized this situation, and he suggested a provision that those who are to be qualified to accept these appointments should actually be practicing law, and should have done so for a number of years in the courts, rather than in the Government departments.

Mr. President, that bill was passed by the Senate. However, the House Committee would not agree to it. I thought the Senator in charge of the bill, the able chairman of the Judiciary Committee [Mr. McCARRAN] hit upon a proper solution of the problem. Here is what he tried to do:

Section 144 was amended by Public Law 72 of the Eighty-first Congress by substituting the words "in any case" for "as to any judge" at the end of the next to last sentence.

The present section 144 reads as follows:

Whenever a party to any proceeding in a district court makes and files a timely and sufficient affidavit that the judge before whom the matter is pending has a personal bias or prejudice either against him or in favor of any adverse party, such judge shall proceed no further therein, but another judge shall be assigned to hear such proceeding.

The affidavit shall state the facts and the reasons for the belief that bias or prejudice exists, and shall be filed not less than 10 days before the beginning of the term at which the proceeding is to be heard, or good cause shall be shown for failure to file it within such time. A party may file only one such affidavit in any case. It shall be accompanied by a certificate of counsel of record stating that it is made in good faith.

What the able Senator from Nevada, the chairman of the Judiciary Committee, had in mind was to include a provision that in case for 10 years prior to the commencement of such proceedings a judge had been employed in an agency of the executive branch of the Government of the United States which is a party to such proceedings, an affidavit could be filed setting forth those facts, and then the judge would not be permitted to proceed further therein, but another judge would be assigned to hear the proceeding. In other words, it would give an opportunity to the lawyer, and, I may say, to the litigant, to have his case tried by a judge who had not served in the Government department. We find literally hundreds of instances, more so in Washington than elsewhere, of cases being tried by a judge who had no experience in the practice of law, or as a judge, but who had merely worked in the legal department of a certain bureau. He was the judge that would be chosen to hear the proceeding with which the bureau itself was concerned. The able Senator from Nevada included a provision that, if a man had been employed in that department within 10 years, an affidavit could be filed, and a new judge obtained. Why not? If we are to have justice administered by those who are not prejudiced and who are not biased, we should be willing to put into the law a provision that a judge must not only be free of prejudice and bias, but, like Caesar's wife, he must be above suspicion. I think justice will then be more respected. We will have more concern over it. People will be better satisfied, if we place in the law a provision of that kind. My two colleagues on the conference committee were anxious to have the bill enacted, knowing judges are needed, but I say we must be careful what kind of judges are appointed and that they are not selected alone from the various departments of the Government. We want men of experience in the broad field of law, men who understand the philosophy of the law and who understand the American people and American institutions.

Since that amendment was not retained in the conference report I felt in conscience that I could not sign the report, because I believed the able Senator from Nevada had hit upon something which would be beneficial to America in the administration of justice, and I felt that I should state to the Senate my reason for not signing the report.

Mr. McCARRAN. Mr. President, I shall not detain the Senate. I concur in the remarks of the able Senator from Michigan. I think something should be done, but, after giving the matter mature consideration, I saw that by my proposed amendment I was going to defeat the major objective of the bill, namely, the designation and appointment of some 27 additional circuit and district judges throughout the United States. I thought we could meet the provision I had in mind by general legislation rather than by an amendment to the bill.

The Senator is right when he says I was anxious. I was anxious and at the same time apprehensive. I am apprehensive of what is going on. I dislike the idea of appointing judges from departments of the Government to sit in the courts of the District of Columbia, where 9 out of 10 litigants must come if they have grievances to be aired as against the departments, and where they must come to secure their rights. In many cases they must appear before a judge who may have been appointed from the very department against which the suit is pending.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Michigan?

Mr. McCARRAN. I yield.

Mr. FERGUSON. I wonder whether the Senator would feel that he could join with the Senator from Michigan, or, rather, that the Senator from Michigan could join with the Senator from Nevada, in general legislation somewhat to the same effect, and whether, if such legislation were enacted, he could see any reason why this bill should not go through in its present form?

Mr. McCARRAN. I may say to the Senator from Michigan, I will gladly join in general legislation to fix the qualifications of judges, or to fix the grounds upon which their disqualifications may be brought to the attention of the judge himself.

Mr. FERGUSON. I appreciate that. I am glad to have that assurance.

Mr. McCARRAN. I did not want to defeat the principal objective of the bill by adhering to my amendment. I did not lose interest in my amendment, and I do not give up the principle, in any sense of the word.

Mr. FERGUSON. I appreciate that word from the Senator.

The PRESIDING OFFICER. The question is upon agreeing to the motion of the Senator from Nevada [Mr. McCARRAN] to agree to the conference report.

The motion was agreed to.

APPROPRIATIONS FOR INDEPENDENT OFFICES, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, under the subhead "Council of Economic Advisers," on page 5, line 24, after "(28 U. S. C. 2672)", to strike out "$300,000" and insert "$340,000."

Mr. BRIDGES. Mr. President, this amendment has to do with the Council of Economic Advisers. I think the item approved by the House was $300,000, which, as I recall, was the amount provided last year for this agency. The amendment adds $40,000 and increases the personnel by four. This I admit is a small amount, but, in view of certain decisions and recommendations the Council of Economic Advisers have made, I do not know that they need additional assistants. I think they are fully staffed and equipped at the present time. Therefore I favor the retention of the House figure.

Mr. O'MAHONEY. Mr. President, one of the reasons for this increase is that the last Congress, with the approval of my very able and amiable friend from New Hampshire, increased the salaries of all Government employees. The Pay Act of the Eightieth Congress added $550,000,000 to the expenditures of the Government for the fiscal year 1950. This is as good a place as any in which to call attention to that fact, and also to the fact that other bills which were enacted last year have added to the obligations of the Government more than $2,000,000,000. On this particular item, because of the pay increase and automatic increases and essential classifications, the Council of Economic Advisers had to seek a deficiency appropriation, which was granted. In other words, of the $40,000 which is now proposed, $13,400 is to fulfill the obligations of the Pay Increase Act and to provide for automatic increases in essential classifications; $26,600 is needed to add to the number of economists and secretaries. The increased recommendations were made to the committee by Dr. Nourse, chairman of the council. I trust the amendment will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. BRIDGES. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is the demand sufficiently seconded?

The yeas and nays were not ordered.

Mr. WHERRY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hayden	Millikin
Anderson	Hendrickson	Morse
Baldwin	Hickenlooper	Mundt
Brewster	Hill	Murray
Bricker	Hoey	Myers
Bridges	Holland	O'Conor
Butler	Hunt	O'Mahoney
Byrd	Ives	Robertson
Cain	Jenner	Russell
Capehart	Johnson, Colo.	Saltonstall
Chapman	Johnson, Tex.	Schoeppel
Connally	Johnston, S. C.	Smith, Maine
Cordon	Kefauver	Sparkman
Donnell	Kerr	Stennis
Douglas	Knowland	Taft
Downey	Langer	Taylor
Dulles	Lodge	Thomas, Okla.
Ecton	Long	Thye
Ellender	Lucas	Tobey
Ferguson	McCarthy	Vandenberg
Flanders	McClellan	Watkins
Frear	McKellar	Wherry
George	McMahon	Wiley
Gillette	Magnuson	Williams
Graham	Malone	Withers
Green	Martin	Young
Gurney	Maybank	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment appearing at the bottom of page 5, which increases the appropriation for the Council of Economic Advisers from $300,000 to $340,000.

Mr. BRIDGES. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The request is obviously sufficiently seconded. The yeas and nays are ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

The Senator from Arkansas [Mr. FULBRIGHT], the Senators from West Virginia [Mr. KILGORE and Mr. NEELY], the Senator from Nevada [Mr. MCCARRAN], the Senator from Rhode Island [Mr. MCGRATH], the Senator from Virginia [Mr. ROBERTSON], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] are detained on official business.

The Senator from Idaho [Mr. MILLER] is necessarily absent.

I announce that on this vote the Senator from Minnesota [Mr. HUMPHREY] is paired with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from Minnesota would vote "yea" and the Senator from New Jersey would vote "nay."

I announced further that if present and voting, the Senator from Rhode Island [Mr. MCGRATH] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness and is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from New Jersey would vote "nay" and the Senator from Minnesota "yea."

The Senator from Missouri [Mr. KEM] is detained on official business.

The result was announced—yeas 40, nays 39, as follows:

YEAS—40

Anderson	Holland	Morse
Chapman	Hunt	Murray
Connally	Johnson, Colo.	Myers
Cordon	Johnson, Tex.	O'Conor
Downey	Johnston, S. C.	O'Mahoney
Ellender	Kefauver	Robertson
Frear	Kerr	Russell
George	Long	Saltonstall
Gillette	Lucas	Sparkman
Graham	McClellan	Stennis
Green	McKellar	Taylor
Hayden	McMahon	Withers
Hill	Magnuson	
Hoey	Maybank	

NAYS—39

Aiken	Ferguson	Millikin
Baldwin	Flanders	Mundt
Brewster	Gurney	Schoeppel
Bricker	Hendrickson	Smith, Maine
Bridges	Hickenlooper	Taft
Butler	Ives	Thye
Byrd	Jenner	Tobey
Cain	Knowland	Vandenberg
Capehart	Langer	Watkins
Donnell	Lodge	Wherry
Douglas	McCarthy	Wiley
Dulles	Malone	Williams
Ecton	Martin	Young

NOT VOTING—17

Chavez	McCarran	Reed
Eastland	McFarland	Smith, N. J.
Fulbright	McGrath	Thomas, Okla.
Humphrey	Miller	Thomas, Utah
Kem	Neely	Tydings
Kilgore	Pepper	

So the amendment was agreed to.

Mr. ROBERTSON. Mr. President, the amendment on which the Senate just voted relates to a proposal to cut $40,000 from an appropriation bill which carries more than $7,000,000,000. I am not opposed to the saving of as little as $1, if it can properly be made. But the committee has, after mature consideration of the subject, decided that the additional $40,000 over the House figure was proper.

Mr. President, it requires about 20 minutes for a quorum call and about 20 minutes for a roll call. There are 70 or perhaps more than 70 amendments in the bill. If, on relatively minor issues of this kind, we are to have a yea and nay vote, and devote 40 minutes to each item, it will require 60 hours to complete action on the amendments to the bill. On the basis of a 5-hour day and a 5-day week that will mean a little more than 2 weeks; while the authority of these agencies to function under the temporary joint resolution passed by Congress in June expires next Sunday night.

Now we have messed up the detail, if Senators will excuse the expression, respecting ECA. I hope very much that Senators who wish to make a personal record for economy will make that record without forcing a yea-and-nay vote, requiring in all about 40 minutes on every minor amendment to the bill to which they object.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, under the title "Independent Offices—American Battle Monuments Commission," on page 7, line 15, after the word "of", to strike out "one" and insert "three", and at the beginning of line 16, to strike out "vehicle" and insert "vehicles, including one at not to exceed $2,500".

The amendment was agreed to.

The next amendment was, under the heading "Atomic Energy Commission", on page 9, line 6, after the word "the", to strike out "unobligated balances" and insert "unexpended balances, as of June 30, 1949."

The amendment was agreed to.

The next amendment was, under the heading "Civil Service Commission," on page 10, line 8, after the word "Columbia", to strike out the comma and "including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents"; in line 22, after the word "exceed", to strike out "$40,000" and insert "$60,000"; in line 24, after "(54 Stat. 767)", to insert "not to exceed $500,000 for allocation to the Federal Bureau of Investigation as required for investigation of applicants for certain positions when requested by the head of the department or agency concerned in cases where the department or agency concerned does not maintain its own investigative staff."

The amendment was agreed to.

The next amendment was on page 11, line 9, after the word "amended", to strike out "$14,000,000" and insert "$16,250,000."

Mr. BRIDGES. Mr. President, the amendment relative to the Civil Service Commission increases the personnel over the House figure by 485 individuals. I think Senators will all agree that the Civil Service Commission has a responsible job. Nevertheless after the House committee held hearings on the subject it arrived at a figure of 3,414 employees. The House committee decided that was a sufficient number of employees to do the job adequately and well. I believe the Senate would be justified in retaining the House figure.

I wish to speak for a moment about what the distinguished Senator from Virginia [Mr. ROBERTSON] said, because I know he wants the full story told. There is no intention, so far as I am concerned, to try to force the Senate into 60 hours of consideration of the various items contained in the bill. In this bill, however, the Senate committee has increased the House figure by more than $500,000,000, and added some 15,000 personnel over the House figure. If we believe at all in economy, and if we believe the departments have sufficient personnel to carry on their work properly, it is well to have discussed the issues involved in some of the items of the bill. I believe the particular amendment now pending which would increase by 485 the number of employees provided by the House figure for the Civil Service Commission, is not justified. Therefore I hope the Senate amendment on page 11, line 9, will not be agreed to.

Mr. O'MAHONEY. Mr. President, I beg to advise the Senator from New Hampshire that again there is a slight mistake in the interpretation which he has placed upon the action of the committee. It is true again that the appropriation recommended by the committee increases the personnel beyond that which would be available under the bill

as it passed the House. But the bill recommended by the Senate committee provides for personnel 278 less in number than the Civil Service Commission has this year. So, far from increasing the personnel, the committee has decreased the personnel of the Civil Service Commission below that which it has already under the appropriation bill which was passed last year.

The reason why the committee recommended the increase on which the Senate is requested to vote, as found in the committee amendment on page 11, line 9, is that the House committee report made it clear that in connection with the reduction it made, it was expecting the Civil Service Commission to save money by absorbing this personnel, by permitting the various executive agencies and departments of government to conduct their own decentralized examinations. If that were not done the cost would be much greater than the increase which is allowed in the Senate committee bill.

The committee held hearings upon this matter. It was clearly demonstrated that to cut this appropriation to the amount provided by the House bill—and the Senate committee has not restored the entire amount—would only mean to transfer the holding of certain examinations to certain supposed expert boards in executive departments and agencies, and such boards would have to do the work which the Senate committee felt could be more efficiently and properly done by the Civil Service Commission.

Mr. President, in the light of the clear fact that the personnel is not so large as it was last year, I hope that the increase recommended by the committee may be approved.

Mr. FERGUSON. Mr. President, I think the amendment now under consideration presents a clear example of whether the Federal Government desires actually to cut expenditures. We come now to the question of the number of employees. The able Senator from Virginia [Mr. BYRD] has from time to time pointed out that every day there are added to the public pay roll, in Washington and in other parts of the country, 315 Government employees.

The minute Congress says, "We want to take away from you a certain amount of cash," we find the Civil Service Commission saying that all it would mean would be that an equal number or greater number would have to be hired in some other department. No one has ever though about the possibility of cutting down the amount of work which is being done in the various departments, which represents waste and extravagance. No one has ever thought that an employee might even do more work, resulting in a need for fewer employees. That is never thought of. It is always said, "The work will go into another department, and more men will have to be employed there.

This amendment represents an increase of $2,250,000. To some that is peanuts. Some Senators feel that we should not even discuss an increase of $2,250,000 on the floor of the Senate. Mr. President, the other day we discussed an increase of $140,000. We discussed it on the floor of the Senate for a long time when the proposal was made to place on the pay roll of the watchdog committee about ten more employees. It was perfectly all right to discuss that question for hours. But when it comes to taking an employee off the national pay roll, where patronage in the executive branch of the Government is involved, it is said, "You are taking too much time on the floor of the Senate.

What would happen if we were to increase this appropriation by $2,250,000? We would increase the number of personnel over the House figures by 485.

Is this a small department? Consider how it has grown, from 3,414 employees to 3,899. Certainly it has an estimate from the budget for 4,069 employees. In 1949 it had 4,178. So if we make this cut we shall need 485 fewer employees on the pay roll of the Civil Service Commission.

Mr. President, I hope that Congress will become economy-minded, even if it is only to the extent of $2,250,000, because we must attempt to balance the budget, and this is one place where we can start.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 11, line 9.

Mr. BRIDGES. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. O'MAHONEY. Mr. President, I desire again to emphasize what I said a moment ago, that there is no economy in the proposed reduction. That was clear from the presentation which was made to the committee. It would result in duplicating a great deal of the work. Let me read this statement, which was submitted to the committee:

> Generally speaking, boards of civil service examiners in Federal field establishments recruit applicants and conduct examinations for positions which exist primarily in their respective establishments. Conversely, the Commission recruitment and examining resources are expended on examinations for filling positions which are common to many agencies, and servicing agencies too small to support a board of examiners. If examinations were completely decentralized, numerous identical examinations would be announced by hundreds of boards of examiners, with resulting waste of time, effort, and money in holding such examinations, and confusion to the public.

Mr. President, I could spend an hour going into detail. The figures were before us. Not to allow this money would only create confusion and waste. Decentralization would cause duplication. The committee amendment is an amendment in the interest of economy, and it should be adopted.

Mr. FERGUSON. Mr. President, I wish to say in reply to the able Senator from Wyoming, in charge of the bill, that this is a typical example of a department which says, if we take any money from it, or adhere to the House figure, "It will cut out one of the most vital and important functions we have."

They never think of trying to get more work out of their employees, or cutting out extravagance. They tell us that a reduction in the appropriation would cut out certain very vital and important work and put it into another department, where it would cost more money. I should like to know how the other department is going to get the money if we do not appropriate it. Let the departments absorb reductions by eliminating extravagance and inefficiency instead of interfering with the most vital parts of their programs, as they say in their testimony.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 11, line 9. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Iowa [Mr. GILLETTE], the Senators from West Virginia [Mr. KILGORE and Mr. NEELY], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] are detained on official business.

The Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

The Senator from Idaho [Mr. MILLER] is necessarily absent.

The Senator from Minnesota [Mr. HUMPHREY] is paired on this vote with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from Minnesota would vote "yea," and the Senator from New Jersey would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH], who is absent because of illness, is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from New Jersey would vote "nay" and the Senator from Minnesota would vote "yea."

The Senator from Missouri [Mr. KEM], the Senator from Washington [Mr. CAIN], the Senator from Indiana [Mr. CAPEHART], and the Senator from Pennsylvania [Mr. MARTIN] are detained on official business.

The result was announced—yeas 38, nays 41, as follows:

YEAS—38

Anderson	Hunt	Murray
Chapman	Johnson, Tex.	Myers
Connally	Johnston, S. C.	O'Conor
Cordon	Kefauver	O'Mahoney
Downey	Kerr	Pepper
Ellender	Lucas	Robertson
Fulbright	McCarran	Saltonstall
George	McClellan	Smith, Maine
Graham	McGrath	Sparkman
Green	McKellar	Taylor
Gurney	McMahon	Thomas, Utah
Hayden	Magnuson	Withers
Hill	Maybank	

NAYS—41

Aiken	Dulles	Holland
Baldwin	Ecton	Ives
Brewster	Ferguson	Jenner
Bricker	Flanders	Johnson, Colo.
Bridges	Frear	Knowland
Butler	Hendrickson	Langer
Donnell	Hickenlooper	Lodge
Douglas	Hoey	Long

McCarthy	Schoeppel	Watkins
Malone	Stennis	Wherry
Millikin	Taft	Wiley
Morse	Thye	Williams
Mundt	Tobey	Young
Russell	Vandenberg	

NOT VOTING—17

Byrd	Humphrey	Neely
Cain	Kem	Reed
Capehart	Kilgore	Smith, N. J.
Chavez	McFarland	Thomas, Okla.
Eastland	Martin	Tydings
Gillette	Miller	

So the amendment was rejected.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, under the subhead "Panama Canal Construction Annuity Fund," on page 13, line 8, after "(48 U. S. C. 1373a)", to strike out "$5,304,870" and insert "$5,894,300."

The amendment was agreed to.

The next amendment was, under the subhead "Civil-Service Retirement and Disability Fund," on page 13, line 13, after "(5 U. S. C. ch. 14)", to strike out "$295,533,700" and insert "$328,393,000."

The amendment was agreed to.

The next amendment was, under the subhead "Canal Zone Retirement and Disability Fund," on page 13, line 19, after "(48 U. S. C. 1371n)", to strike out "$899,100" and insert "$999,000."

The amendment was agreed to.

The next amendment was, under the subhead "Alaska Railroad Retirement and Disability Fund," on page 13, at line 25, before the word "which", to strike out "$193,500" and insert "$215,000."

The amendment was agreed to.

Mr. DOUGLAS. Mr. President, on what page is the clerk now reading the committee amendments?

The PRESIDING OFFICER. The clerk is about to read the first committee amendment on page 14. The last amendment read was on page 13.

Mr. DOUGLAS. I should like to ask for an explanation of the increase provided in line 13, on page 13.

Mr. O'MAHONEY. Mr. President, this increase is required in order to carry out the statutory requirement of having the Civil Service Commission maintain the retirement fund out of which the retirements of civil servants are paid. As everyone knows, under the retirement law, deductions are made from the salaries of employees, and the deductions are matched by the Government.

This appropriation is a matching appropriation, to balance the retirement fund in compliance with that law. It is an obligation of the Government which we felt could not be avoided.

Mr. DOUGLAS. I should like to inquire of the distinguished Senator from Wyoming why it was that the House committee did not catch this item.

Mr. O'MAHONEY. The House committee simply made a straight slice.

The PRESIDING OFFICER. The amendment to which the Senator has referred has already been adopted and stands adopted unless the Senate wishes to return to its consideration.

Otherwise, the clerk will state the next amendment of the committee.

The next amendment was, under the heading "Displaced Persons Commission," on page 14, line 11, after the word "amended," to insert "purchase (not to exceed 30), and."

The amendment was agreed to.

The next amendment was, under the heading "Federal Communications Commission," on page 15, line 23, after the word "Columbia", to strike out "including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents."

The amendment was agreed to.

The next amendment was, on page 16, line 8, after the word "binding", to strike out "$6,525,000" and insert "$6,633,000."

Mr. BRIDGES. Mr. President, this amendment has to do with the Federal Communications Commission which, of course, performs an important function.

The House provided for personnel of 1,332 for the Commission. This amendment would increase the number of personnel to 1,349.

I do not believe any Member of the Senate wishes to handicap the Federal Communications Commission in any way or prevent it from doing a good job. I think the personnel of 1,332 allowed by the House of Representatives is adequate for that Commission, and it seems to me that the increase provided by the Senate committee is unwarranted.

Therefore, I hope the Senate committee amendment will be rejected.

Mr. O'MAHONEY. Mr. President, again it is true that the Senate committee allowed an increase in the personnel—in this case, an increase of 17 above the number allowed by the House of Representatives. But even with that increase, this measure allows for the Federal Communications Commission a personnel of 49 less than the Commission has at this moment. So again we are presenting a provision for a decrease in personnel, not an increase.

As the Senator from New Hampshire has stated, the Communications Commission performs a very important service. Every day requests are made to the Communications Commission for additional services. By the use of the radio in Red Cross work, in police work, in maritime work, in every avenue of radio communication and the transmission of information, the work of the Communications Commission is increasing. The committee, Mr. President, felt that to deny the increase which we recommended would seriously impede the work of the Commission. I trust that the increase may be allowed.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. BRIDGES. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from Iowa [Mr. GILLETTE], the Senators from West Virginia [Mr. KILGORE and Mr. NEELY], the Senator from Oklahoma [Mr. THOMAS], the Senators from Maryland [Mr. O'CONOR and Mr. TYDINGS], the Senator from Mississippi [Mr. STENNIS], and the Senator from Kentucky [Mr. WITHERS] are detained on official business.

The Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

The Senator from Idaho [Mr. MILLER] is necessarily absent.

The Senator from Minnesota [Mr. HUMPHREY] is paired on this vote with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from Minnesota would vote "yea," and the Senator from New Jersey would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] who is absent because of illness is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from New Jersey would vote "nay" and the Senator from Minnesota would vote "yea."

The Senator from Washington [Mr. CAIN] and the Senator from Missouri [Mr. KEM] are detained on official business.

The result was announced—yeas 40, nays 39, as follows:

YEAS—40

Anderson	Holland	Morse
Chapman	Hunt	Murray
Connally	Johnson, Tex.	Myers
Cordon	Johnston, S. C.	O'Mahoney
Downey	Kefauver	Pepper
Ellender	Kerr	Robertson
Frear	Long	Russell
Fulbright	Lucas	Saltonstall
George	McCarran	Sparkman
Graham	McGrath	Taylor
Green	McKellar	Thomas, Utah
Gurney	McMahon	Young
Hayden	Magnuson	
Hill	Maybank	

NAYS—39

Aiken	Flanders	Martin
Baldwin	Hendrickson	Millikin
Brewster	Hickenlooper	Mundt
Bricker	Hoey	Schoeppel
Bridges	Ives	Smith, Maine
Butler	Jenner	Taft
Byrd	Johnson, Colo.	Thye
Capehart	Knowland	Tobey
Donnell	Langer	Vandenberg
Douglas	Lodge	Watkins
Dulles	McCarthy	Wherry
Ecton	McClellan	Wiley
Ferguson	Malone	Williams

NOT VOTING—17

Cain	Kilgore	Smith, N. J.
Chavez	McFarland	Stennis
Eastland	Miller	Thomas, Okla.
Gillette	Neely	Tydings
Humphrey	O'Conor	Withers
Kem	Reed	

So the amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, under the heading "Federal Power Commission", on page 16, line 19, after the word "Columbia", to strike out the comma and

"including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents"; in line 21, after the word "exceed", to strike out "$220,000" and insert "$230,000"; on page 17, line 2, after the word "newspapers", to strike out "$3,650,000" and insert "$3,763,000"; in line 3, after the word "amount", to strike out "not to exceed $2,122,000 shall be available for personal services in the District of Columbia exclusive of", and in line 5, after the figures "$10,000", to insert "shall be available."

The amendment was agreed to.

The next amendment was, on page 17, line 14, after the word "binding", to strike out "$325,000" and insert "$337,000", and in the same line, after the amendment just above stated, to strike out the comma and "of which amount not to exceed $130,000 shall be available for personal services in the District of Columbia."

The amendment was agreed to.

The next amendment was, under the heading "Federal Trade Commission", on page 17, line 19, after the word "Columbia", to strike out the comma and "including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents", and on page 18, line 2, after the figures "$700", to strike out "$3,450,000" and insert "$3,639,000."

Mr. BRIDGES. Mr. President——

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. LUCAS. Will there be some debate on this amendment?

Mr. BRIDGES. Yes, there will be.

RECESS

Mr. LUCAS. Mr. President, it is now 10 minutes to 6, and in view of the fact that there will be some debate on this amendment, and probably another roll call, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 53 minutes p. m.) the Senate took a recess until tomorrow, Thursday, July 28, 1949, at 12 o'clock meridian.

the department or agency to which said function or activity is transferred or assigned for any purpose for which said funds were originally available. Balances so transferred shall be credited to any applicable existing appropriation account or accounts, or to any new appropriation account or accounts, which are hereby authorized to be established on the books of the Treasury Department, of the department or organization to which such function or activity is transferred, and shall be merged with funds in the applicable existing or newly established appropriation account or accounts and thereafter accounted for as one fund. Balances transferred to existing accounts shall be subject only to such limitations as are specifically applicable to such accounts and those transferred to new accounts shall be subject only to such limitations as are applicable to the appropriations from which they are transferred.

"'(b) The number of employees which in the opinion of the Secretary of Defense is required for such transferred functions or activities may, with the approval of the Director of the Bureau of the Budget, be deducted from any personnel maximum or limitation of the department or agency within the Department of Defense from which such function or activity is transferred, and added to any such personnel maximum or limitation of the department or agency to which such function or activity is transferred.

"'AVAILABILITY OF REIMBURSEMENTS

"'SEC. 408. To carry out the purposes of this Act, reimbursements made under the authority of the Economy Act (31 U. S. C. 686), and sums paid by or on behalf of personnel of any department or organization for services rendered or supplies furnished, may be credited to authorized replacing or other accounts. Funds credited to such accounts shall remain available for obligation for the same period as the funds in the account so credited and each such account shall constitute one fund on the books of the Treasury Department.

"'COMMON USE OF DISBURSING FACILITIES

"'SEC. 409. To the extent authorized by the Secretary of Defense, disbursing officers of the Departments of the Army, Navy, and Air Force may, out of accounts of advances available to them, make disbursements covering obligations arising in connection with any function or activity of any other department or organization within the Department of Defense and charge upon vouchers the proper appropriation or appropriations of the other department or organization: *Provided*, That all said expenditures shall subsequently be adjusted in settlement of disbursing officers' accounts.

"'REPORTS OF PROPERTY

"'SEC. 410. The Secretary of Defense shall cause property records to be maintained in the three military departments, so far as practicable, on both a quantitative and monetary basis, under regulations which he shall prescribe. Such property records shall include the fixed property, installations, and major items of equipment as well as the supplies, materials, and equipment held in store by the armed services. The Secretary shall report annually thereon to the President and to the Congress.

"'REPEALING AND SAVING PROVISIONS

"'SEC. 411. All laws, orders, and regulations inconsistent with the provisions of this title are repealed insofar as they are inconsistent with the powers, duties, and responsibilities enacted hereby: *Provided*, That the powers, duties, and responsibilities of the Secretary of Defense under this title shall be administered in conformance with the policy and requirements for administration of budgetary and fiscal matters in the Government generally, including accounting and financial reporting, and that nothing in this title shall be construed as eliminating or modifying the powers, duties, and responsibilities of any other department, agency, or officer of the Government in connection with such matters, but no such department, agency, or officer shall exercise any such powers, duties, or responsibilities in a manner that will render ineffective the provisions of this title.'"

"MISCELLANEOUS AND TECHNICAL AMENDMENTS AND SAVING PROVISIONS

"SEC. 12. (a) The National Security Act of 1947 is amended by striking out the term 'National Military Establishment', wherever it appears in such Act, and inserting in lieu thereof 'Department of Defense'.

(b) Section 207 (a) of the National Security Act of 1947 is amended to read as follows:

"'SEC. 207. (*a*) Within the Department of Defense there is hereby established a military department to be known as the Department of the Air Force, and the Secretary of the Air Force who shall be the head thereof. The Secretary of the Air Force shall be appointed from civilian life by the President by and with the advice and consent of the Senate.'

"(c) Section 207 (b) of the National Security Act of 1947 is repealed.

"(d) The first sentence of section 208 (a) of the National Security Act of 1947 is amended by striking out the word 'under' and inserting in lieu thereof the word 'within'.

"(e) Section 308 (b) of the National Security Act of 1947 is amended to read as follows:

"'(b) As used in this Act, the term "Department of Defense" shall be deemed to include the military departments of the Army, the Navy, and the Air Force, and all agencies created under title II of this Act.'

"(f) The titles of the Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, the Under Secretaries and the Assistant Secretaries of the Departments of the Army, Navy, and Air Force, the Chairman of the Munitions Board, and the Chairman of the Research and Development Board, shall not be changed by virtue of this Act, and the reappointment of the officials holding such titles on the effective date of this Act shall not be required. It is hereby declared to be the intention of Congress that section 203 (a) of the National Security Act of 1947, as amended by section 6 of this Act, shall not be deemed to have created a new office of Deputy Secretary of Defense but shall be deemed to have continued in existence, under a new title, the Office of Under Secretary of Defense which was established by the Act entitled 'An Act to amend the National Security Act of 1947 to provide for an Under Secretary of Defense', approved April 2, 1949 (Public Law 36, Eighty-first Congress). The title of the official holding the Office of Under Secretary of Defense on the effective date of this Act shall be changed to Deputy Secretary of Defense and the reappointment of such official shall not be required

"(g) All laws, orders, regulations, and other actions relating to the National Military Establishment, the Departments of the Army, the Navy, or the Air Force, or to any officer or activity of such establishment or such departments, shall, except to the extent inconsistent with the provisions of this Act, have the same effect as if this Act had not been enacted; but, after the effective date of this Act, any such law, order, regulation, or other action which vested functions in or otherwise related to any officer, department, or establishment, shall be deemed to have vested such function in or relate to the officer or department, executive or military, succeeding the officer, department, or establishment in which such function was vested. For purposes of this subsection the Department of Defense shall be deemed the department succeeding the National Military Establishment, and the military departments of Army, Navy, and Air Force shall be deemed the departments succeeding the Executive Departments of Army, Navy, and Air Force.

"(h) Section 208 (c) of the National Security Act of 1947 is amended by substituting the word 'three' for the word 'two' appearing therein.

"(i) Reorganization Plan Numbered 8 of 1949, which was transmitted to the Congress by the President on July 18, 1949, pursuant to the provisions of the Reorganization Act of 1949, shall not take effect, notwithstanding the provisions of section 6 of such Reorganization Act of 1949."

And the Senate agree to the same.

MILLARD E. TYDINGS,
RICHARD B. RUSSELL,
VIRGIL M. CHAPMAN,
STYLES BRIDGES,
CHAN GURNEY,
LEVERETT SALTONSTALL,
Managers on the Part of the Senate.

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
CARL T. DURHAM,
LESLIE C. ARENDS,
GEORGE J. BATES,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

Mr. LODGE. Mr. President, I do not object to considering it, but I want to know what is in it, and when we are to have printed copies.

Mr. TYDINGS. Mr. President, the conference report is basically the Senate bill. The amendments made by the House are minor. The Senator will recall that there were four titles in the bill as it passed the Senate. The Senator will also recall that when the House acted on the bill it struck out three-fourths of the provisions, and acted only on one-fourth of it, with respect to which it took the Senate version. Then we struck out the language of the House bill when it came to the Senate and substituted the Senate bill. The Senate bill became the subject of the conference. The amendments are minor and the conference report is unanimously agreed to by conferees on the part of both the House and Senate.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. BALDWIN. As the Senator knows, I am a member of the Armed Services Committee, but was not one of the conferees. I am particularly interested to know whether or not any of the Senate provisions in the title of the bill which had to do with administration, and which contained most of the recommendations of the Hoover Commission, were subjected to major change, or any change. Was any change made in that particular part of the bill?

Mr. TYDINGS. There was not. I will say to the Senator that there was some change in wording here and there, but in my opinion the new wording is more comprehensive than the wording in the original bill. We eliminated the specification, and put in a generalization so large that it included the specification and more. So we have the Hoover report pretty much in toto.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

Mr. TYDINGS. Mr. President, I ask that the conference report lie on the desk until Senators have an opportunity to examine it. I do not want to try the patience of the Senator from Wyoming [Mr. O'MAHONEY], who has already yielded an hour and a half of his time without complaint, so I ask that the conference report lie on the desk.

Mr. LODGE. Mr. President, does this mean that we are precluded from asking questions about it?

Mr. TYDINGS. No. It will not be laid before the Senate for final action until the Senator has had an opportunity to become familiar with it.

Mr. SALTONSTALL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Morse
Anderson	Hoey	Mundt
Baldwin	Holland	Murray
Brewster	Hunt	Myers
Bricker	Ives	Neely
Bridges	Jenner	O'Conor
Butler	Johnson, Colo.	O'Mahoney
Cain	Johnson, Tex.	Pepper
Capehart	Johnston, S. C.	Russell
Chapman	Kefauver	Saltonstall
Chavez	Kem	Schoeppel
Connally	Kerr	Smith, Maine
Cordon	Kilgore	Sparkman
Donnell	Knowland	Stennis
Douglas	Langer	Taft
Downey	Lodge	Taylor
Dulles	Long	Thomas, Okla.
Ecton	Lucas	Thomas, Utah
Ellender	McCarran	Thye
Ferguson	McCarthy	Tobey
Flanders	McClellan	Tydings
Fulbright	McGrath	Vandenberg
George	McKellar	Watkins
Gillette	McMahon	Wherry
Graham	Magnuson	Wiley
Green	Malone	Williams
Gurney	Martin	Withers
Hayden	Maybank	Young
Hendrickson	Miller	
Hickenlooper	Millikin	

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the committee amendment on page 18, in line 2, which will be stated.

The CHIEF CLERK. On page 18, in line 2, it is proposed to strike out "$3,450,000" and insert "$3,639,000."

Mr. O'MAHONEY. Mr. President, with respect to this amendment, I think I should point out that the House of Representatives cut the appropriation $289,000 below the amount of the budget estimate, in the belief that it would be possible to effect economies by the reduction of personnel in the administrative functions of the Federal Trade Commission. The representations which were made to our committee—and I think they were amply supported by the evidence, and as disclosed by the questioning—were to the effect that this reduction in personnel would seriously impede the work of the Commission; it would have the effect of reducing the number of persons employed by approximately 86 less than the number presently employed. The House stated in its report that it was intended by the reduction not in any way to affect the antimonopoly work of the Commission. In other words, the House recognized, as I think the Senate does, the importance of the antimonopoly work of the Commission.

However, an examination of the facts showed that a reduction of the personnel below the number presently employed by the Commission would inevitably interfere with the antimonopoly work because it would require that approximately 32 persons be dropped from the Division of Legal Records. That Division is like the office of the clerk of a court. Of course, if the cases are not properly recorded and filed, and if there is not a sufficiently efficient and well-manned office of the clerk of a court, naturally the work of the court cannot properly be kept up. The committee was convinced that that would be the effect in the Federal Trade Commission.

Likewise the reduction would mean the loss of more than 60 or 65 persons employed in the stenographic pool.

The Federal Trade Commission adopted, some time ago, as a measure of economy, the practice of having officials whose duty it is to prepare documents, write letters, prepare memoranda of various kinds and pleadings in various cases, to draw upon the stenographic pool rather than to have each office equipped with a separate and distinct stenographer. So, obviously, the result of compelling a reduction in the stenographic pool would be to impair the effectiveness of the Commission. So the committee felt there should be a restoration. We did restore, not the full amount requested by the Commission, which was $289,000; we gave them only $189,000, which is still $100,000 below the budget estimate.

Mr. President, during the hearings I addressed several questions to the representatives of the Federal Trade Commission with respect to the status of the antimonopoly work. If it were possible, I would have supported an increased appropriation for the antimonopoly work, because I think there are many important investigations the Commission should carry on.

Mr. KEFAUVER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Tennessee?

Mr. O'MAHONEY. I yield.

Mr. KEFAUVER. I should like to ask the Senator, the chairman of the subcommittee, whether, even with the amount appropriated by the Senate committee, that would only give the Federal Trade Commission 655 positions, whereas the amount appropriated for 1949, by the last Congress, gave them 681 positions?

Mr. O'MAHONEY. I am inclined to believe, from the figures we have had, that the present authorization is for 676. The House bill reduced that to 590, and we increased it to 660, which is still 16 positions below the present staffing of the Commission. For myself, I think that is too narrow a margin, but the committee felt that it should approve only $189,000 instead of $289,000.

Mr. KEFAUVER. I should like to ask the Senator a further question. The Federal Trade Commission requested the Bureau of the Budget to authorize or to approve $5,753,000, so what has been recommended by the Senate committee is almost $2,000,000 less than the amount requested by the Federal Trade Commission of the Bureau of the Budget, is it not?

Mr. O'MAHONEY. The budget estimate was $3,739,000. But the Senator is speaking of the amount the Commission requested the Bureau of the Budget to allow, is he not?

Mr. KEFAUVER. That is correct.

Mr. O'MAHONEY. My recollection is they asked for about $700,000——

Mr. KEFAUVER. The figure is $5,073,000.

Mr. O'MAHONEY. I asked Mr. Edwards, Director of the Bureau of Industrial Economics of the Federal Trade Commission, what was the specific request, in dollars and cents, and in the number of positions, which was made by the Federal Trade Commission to the Bureau of the Budget, for increased antimonopoly case work. The amount was $792,000. The Bureau of the Budget did not allow that. That was for three programs it was desired to carry on—investigations into collusive restriction of production, the collusive use of geographic price formulas, and the restriction of production by fixing quantity limits. But the Bureau of the Budget felt, in view of the other demands upon the Treasury of the United States, that expansion of the antimonopoly work should not be allowed, and did not allow it, but allowed practically the sum the Commission had this year.

Mr. KEFAUVER. In reading over the testimony in the hearings, I gained the distinct impression that the scope of the work of the Federal Trade Commission, or at least the things which the Federal Trade Commission should do in order to help to prevent monopoly and to preserve a free-enterprise system, was rapidly increasing, and that, even with the full amount recommended by the Bureau of the Budget, the work of the Federal Trade Commission would be considerably handicapped, particularly in its antimonopoly program. I ask the distinguished Senator whether he also did not gain that impression from a review of the work being done by the Federal Trade Commission?

Mr. O'MAHONEY. I may say to the Senator, so far as I am personally concerned, I should like to see the work of the Federal Trade Commission in its antimonopoly studies and actions supported to a greater extent than it is supported in the appropriation bill. But we are confronted by a condition of realities, and in view of the large expenditures needed for national defense, for international obligations, and so forth, I can understand the position of the committee in holding down this appro-

priation. I may say to the Senator I sought the full budget amount in the subcommittee, but the subcommittee decided to recommend only $189,000 instead of $289,000.

Mr. KEFAUVER. As the Federal Trade Commission is one of the two departments, the Department of Justice being the other, charged with the enforcement of the antitrust laws and with the prevention of monopolies and the keeping healthy of our competitive system and giving small businesses an opportunity, it seems to me that the amount proposed to be appropriated, while large, still, in comparison with other appropriations, is a very small investment for the great work of the Federal Trade Commission is doing.

Furthermore, the records seems to show that the number of employees the Federal Trade Commission has had, since about 1942, when they had 741 employees, has been reduced to about 100 less than the Federal Trade Commission had in 1942, and at the same time the work and the scope of the activities and duties of the Federal Trade Commission have been increasing all the time. Does the Senator agree with that statement?

Mr. O'MAHONEY. There can be no doubt about that. With the progress of economic concentration in the United States, the work of the Federal Trade Commission naturally increases. The testimony before our committee showed, for example, that some of the studies which have been carried on there demonstrate that even toward the end of 1948 the profit status of small-business concerns was rapidly deteriorating, and many small businesses were in a loss group.

I call the Senator's attention to a colloquy between the Senator from Nebraska [Mr. WHERRY] and Mr. Edwards.

Mr. Edwards had testified that the Commission obtains figures from large companies. "The Federal Trade Commission," he said, "is the only agency in the Government that gets the figures from the small companies. The small companies and large companies do not give the same results." I am reading from page 209 of the Senate hearings. Mr. Edwards continued:

I showed a chart this morning which indicated that in part; and I will show another chart, which is in some ways simpler and more representative, this afternoon.

These are the annual rates of profits by groups of corporations of different sizes, as shown by this reporting program. For the year 1947, the total profit is measured in the solid black line; and for 1948, the same over here. You will see that the total profits shown go slightly up between the 2 years. In the year 1947, the size group which had the largest rate of profit was the middle-sized group of corporations; and from them, profit rates went down as the corporations became smaller, and also as they became larger.

Senator WHERRY. When you say "middle group," about how large would that be?

Mr. EDWARDS. That is the group from $1,000,000 to $5,000,000.

Senator WHERRY. You say the greatest profit came from that group?

Mr. EDWARDS. The greatest rate of profit, I meant.

Senator FERGUSON. That is capitalization, I assume.

Mr. EDWARDS. This is profits on investment.

Senator FERGUSON. On the capital?

Mr. EDWARDS. Yes, sir.

In other words, the testimony shows that corporations with capital investment of less than a million dollars are rapidly getting into a poorer condition; and one of the reasons the Federal Trade Commission should be equipped to handle this matter is to be found in the situation, as I see it, of the small-business corporations.

Mr. KEFAUVER. Mr. President, I fully agree with the Senator, but I should like to call his attention to the colloquy on page 184 between the Senator from Virginia [Mr. ROBERTSON] and Mr. Davis, the Acting Chairman of the Federal Trade Commission. Mr. Edwards had said, with reference to the amount of work of the Commission:

It is substantially higher. I would have to check the percentage.

Senator ROBERTSON. I think it is correct. In physical volume it is about 75 percent.

Is it not true that your work is greater now than it was in 1941?

Mr. DAVIS. I think it is.

Senator ROBERTSON. Is it not true that during the war there was an inevitable trend to concentration of business in the hands of the big corporations at the expense of the smaller corporations?

Mr. DAVIS. Yes; that is true.

Senator ROBERTSON. Is it true that we are now in a period of falling economy in which competition is going to be greatly increased?

Mr. DAVIS. I think the tendency will be that way.

Senator ROBERTSON. Is it not true that small business and the consumer generally face a greater threat from a monopolistic trend than they have at any time in recent years?

Mr. DAVIS. Well, I think now that that is true.

Then he goes on with an explanation.

It seems to me, in reading the record, from the viewpoint of preserving competition and giving small business a chance, that instead of taking the amount the Bureau of the Budget submitted, the committee and the Senate should consider and vote for an even higher amount.

I have an amendment pending to give the Federal Trade Commission an increased appropriation, because I think it is a good investment, from the viewpoint of competition, in protecting small businesses, and in dollars returned to the Government. I think that in tax revenues to the Government it will yield great dividends.

I appreciate very much the attitude of the distinguished Senator from Wyoming in his explanation of the work of the committee.

Mr. O'MAHONEY. The Senator is getting me in sort of a trap. I am here representing the committee which has cut the appropriation for the Federal Trade Commission $100,000 below the budget estimate. The committee amendment is on page 18, line 2. I assume the Senator suggests that he has an amendment to that amendment?

Mr. KEFAUVER. Yes; I have such an amendment.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. MAYBANK. I want to say to the Senator from Tennessee that I voted for the additional amount requested, but we were defeated in the subcommittee. I am placed in the same situation as the Senator from Wyoming occupies.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. LANGER. I wonder if the Senator is aware of the fact that the Committee on Post Office and Civil Service heard the Chairman of the Federal Trade Commission, who testified that there were literally hundreds of cases held up during the war and that, as a matter of fact, the Commission needed much more help than it actually had. Is the Senator aware of the fact that various cases could not be tried during the war, and that the work has piled up until some of the cases are 8 or 9 years old?

Mr. KEFAUVER. I think that is a fact.

Mr. LANGER. I want to associate myself with the distinguished Senator from Tennessee in saying that certainly the appropriation for the Federal Trade Commission should be increased.

Mr. MURRAY. Mr. President, I also wish to associate myself with the distinguished Senator from Tennessee. It seems to me the policy of determining the expansion or contraction of the Federal Trade Commission should be in the Senate, and that we should determine whether it is more important to the country to provide sufficient funds for the Federal Trade Commission to carry on the program of undertaking to curb monopoly than it is to effect small savings by cutting down appropriations for the Commission.

Mr. O'MAHONEY. The Senator is repeating the argument made in the subcommittee.

Mr. MURRAY. Is there an amendment being offered at this time?

Mr. KEFAUVER. I shall offer an amendment when I have an opportunity.

Mr. DOUGLAS. Mr. President, it is very rarely that I rise to ask for an increase in an appropriation.

Mr. O'MAHONEY. I am glad to see the Senator from Illinois in that position today. I am sure the great logic of the Senator will support his position.

Mr. DOUGLAS. I assure the Senator that this is an infrequent occurrence, and I do not expect to repeat it very often in future, but I think in this particular instance, when the Federal Trade Commission has a larger volume of work than it had before the war, with considerably fewer employees, the least we can do is to increase the total to the amount recommended by the Bureau of the Budget.

I am very glad the Senator from Tennessee has raised this question, and I should like to associate myself with him in the matter.

Mr. KEFAUVER. I thank the Senator.

Mr. President, to the committee I offer the amendment, which is on the clerk's desk, and I ask to have it stated.

The PRESIDING OFFICER. The clerk will state the amendment offered

by the Senator from Tennessee to the committee amendment.

The CHIEF CLERK. On page 18, line 2, it is proposed to strike out "$3,639,000" and insert "$3,739,000."

Mr. KEFAUVER. Mr. President, my amendment would bring the appropriation up to the budget estimate, which is almost $2,000,000 less than the Federal Trade Commission requested of the Bureau of the Budget, and will give the Commission——

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. AIKEN. I was simply going to make the statement, Mr. President, that although I have been voting consistently in favor of lower figures in appropriations for independent offices, I believe that here is one instance in which the slight increase provided by the amendment of the Senator from Tennessee is entirely justified. I think the Federal Trade Commission is one Government agency which is a real safeguard to the general public, which of course is the consuming public. I believe adequate funds should be provided for that particular agency. As we go a little further along in the bill I shall be able to point out how the slight amount requested, and as increased by the amendment of the Senator from Tennessee, can save approximately 20 times as much through another provision of the same bill.

Mr. MORSE. Mr. President, will the Senator yield

Mr. KEFAUVER. I yield.

Mr. MORSE. Do I correctly understand that the Senator is proposing an increase in the appropriation for the Federal Trade Commission?

Mr. KEFAUVER. In the amount of $100,000, so as to bring it up to the budget estimate.

Mr. MORSE. Has the Senator, by any chance, placed in the RECORD figures in regard to the personnel of the Federal Trade Commission during the past several years?

Mr. KEFAUVER. I have the figures, and I had intended to ask unanimous consent that they be placed in the RECORD following my remarks, together with a short statement which I have prepared.

Mr. President, I ask unanimous consent that the figures be placed in the RECORD following my remarks, together with a brief statement, which is self-explanatory.

There being no objection, the figures and statement were ordered to be printed in the RECORD, as follows:

APPROPRIATIONS FOR FEDERAL TRADE COMMISSION

Any shortcoming of the Federal Trade Commission which may be pointed out in this report should not be allowed to obscure the highly salient fact that the appropriations to the Federal Trade Commission, even if the agency were devoting all its time to handling the most significant antitrust cases, would be insufficient to allow it to fulfill its function in helping to reverse the trend of concentration.

The unfavorable odds against which the staff of the Federal Trade Commission must work is nowhere more glaringly illustrated than by the case against the Cement Institute. In this case only three Commission attorneys participated in the trial, yet they were opposed by lawyers from 41 law firms, many of them among the largest and most successful in the country. Press releases, according to the Federal Trade Commission, have appeared to the effect that the defendants in this case spent in excess of $5,000,000—$5,000,000 against three Commission attorneys. Five million dollars represents twice as much money as the entire Federal Trade Commission receives in 1 year. * * * The Federal Trade Commission lost this case against the Cement Institute by a 2-to-1 decision in the circuit court of appeals.

Appropriations are so important to an effective antitrust program that it is worth reproducing below the budget history of the Federal Trade Commission for the last 10 years:

Statement of the estimates of appropriations and the appropriations of the Federal Trade Commission for the fiscal years 1938 to 1947 inclusive

	Estimate submitted to the Bureau of the Budget	Amount approved by the Bureau of the Budget	Appropriated by Congress
Fiscal year—			
1938	$2,601,690	$1,981,000	$1,981,000
1939	2,462,681	2,180,700	2,180,700
1940	2,792,100	2,324,000	2,324,000
1941	2,802,431	2,300,000	2,300,000
1942	2,867,870	2,360,000	2,360,000
1943	3,147,681	2,302,474	2,050,250
1944	2,715,444	2,043,000	1,943,000
1945	2,781,145	2,095,900	2,054,070
1946	3,715,720	2,224,000	2,173,833
1947	3,572,223	2,619,400	2,239,120
Supplemental estimates based on plan of reorganization	2,551,209	[1] 857,000	330,000
Total (1947)	5,123,432	3,476,400	2,569,120

[1] FTC comment: "The Budgetdecided that under the reorganization plan full-time staffing, as represeuted by the Commission's estimates, was not practicable during 1947 because of flow of work and recruiting problems, and therefore approved an equivalent amount of $850,000 (plus $7,000 for printing) for part-time staffing for 1947."

Two facts stand out: (1) With the exception of the 1947 appropriation, Congress in each of the 10 years gave the Federal Trade Commission practically the amount approved by the Budget Bureau. Therefore, as far as the Federal Trade Commission's budget for the last 10 years is concerned, the Budget Bureau must be held, in the first instance, responsible for the agency's limited appropriation. (2) The Budget Bureau made very substantial reductions in the amounts originally requested by the Federal Trade Commission.

The Budget Bureau always musters good reasons for cutting an agency's appropriation. The consistent cuts by the Budget Bureau indicate more clearly than any amount of words either (a) lack of awareness of the importance of antitrust activity to the maintenance of the competitive enterprise economy, or (b) a belief that the Federal Trade Commission's activities were not sufficiently significant to the antitrust program to warrant additional funds. If the latter was the reason, it is no answer to slash the agency's budget. Instead, the Budget Bureau should undertake as the Executive's general manager, to bring about the administrative improvements necessary to enable the Commission to properly carry out its functions. The Budget Bureau in their report to the committee indicated that they are now working with FTC with a view to bringing about administrative improvements. (United States Versus Economic Concentration and Monopoly, committee print, Committee on Small Business, House of Representatives, 79th Cong., pp. 29–30.)

The Federal Trade Commission appropriations

	Amount	Number of positions
1948 appropriation	$2,955,000	572
1949 appropriation plus pay-raise supplemental	3,621,000	684
1950:		
A. FTC request to Budget Bureau	5,753,000	1,087
B. Budget Bureau authorized request to Congress	3,739,000	681
C. Appropriation passed by House	3,450,000	600
D. Appropriation recommended by Senate committee	3,639,000	655
All-time high in employment, March 1942		741

EXCERPT FROM ADDRESS BY HON. ESTES KEFAUVER, MEMBER OF CONGRESS, "NEEDED CHANGES IN LEGISLATION," AT AMERICAN ECONOMIC ASSOCIATION CONVENTION, DECEMBER 30, 1947, IN CHICAGO

It has become more or less of an accepted tradition in speaking about the requirements for an effective antitrust program to begin one's remarks with an invocation for appropriations—a tradition which has become well established and one which I see no reason to change. Actually, the facts concerning appropriations for the antitrust agencies are even worse than most of you have probably been led to believe. As chairman of the Monopoly Subcommittee of the House Small Business Committee during the last session of Congress, I had an opportunity to make a fairly thorough investigation of this whole subject of appropriations, the results of which are printed in the Staff Report of this subcommittee (which, unfortunately, is now out of print).[1]

Rather than take up your time with a detailed exposition of the findings of that report, I would like to call your attention to just a few simple figures—the requests made by the antitrust agencies to the Bureau of the Budget, the amounts approved by the Bureau of the Budget for submission to Congress, and the amounts actually appropriated by Congress. During the 10-year period, 1938–47, the requests by the Federal Trade Commission to the Bureau of the Budget averaged $3,101,019 a year; the amount approved by the Bureau of the Budget for presentation to Congress averaged $2,328,727; and the amount appropriated by Congress averaged $2,193,597. During the period, 1939–47, the requests by the Antitrust Division of the Department of Justice to the Bureau of the Budget averaged $1,986,077; the amount approved for submission to Congress by the Budget Bureau averaged $1,517,472; and the amount actually appropriated by Congress averaged $1,634,517—actually more than the amount approved by the Budget Bureau. To quote the report:

"Two facts stand out: (1) With the exception of the 1947 appropriation, Congress in each of the 10 years gave the Federal Trade Commission practically the amount approved by the Budget Bureau. Therefore, as far as the Federal Trade Commission's budget for the last 10 years is concerned, the Budget Bureau must be held, in the first instance, responsible for that agency's limited appropriation. (2) The Budget Bureau made very substantial reductions in the amounts origi-

[1] Seventy-ninth Congress, Staff Report to the Monopoly Subcommittee of the House Small Business Committee, United States versus Economic Concentration and Monopoly, 1946.

nally requested by the Federal Trade Commission."

The report went on to state that:

"The Budget Bureau always musters good reasons for cutting an agency's appropriation. The consistent cuts by the Budget Bureau indicate more clearly than any amount of words either (a) lack of awareness of the importance of antitrust activity to the maintenance of the competitive enterprise economy, or (b) a belief that the Federal Trade Commission's activities were not sufficiently significant to the antitrust program to warrant additional funds. If the latter was the reason, it is no answer to slash the agency's budget. Instead, the Budget Bureau should undertake, as the Executive's general manager, to bring about the administrative improvements necessary to enable the Commission to properly carry out its functions." (p. 30).

In regard to the Antitrust Division, the report stated:

"Here again, as in the case of the Federal Trade Commission, one finds that when sharp cuts are made they are made by the Budget Bureau. As a matter of fact, in 4 of the 9 years reported on, Congress appropriated more money to the Antitrust Division than has been approved by the Budget Bureau." (p. 51)

It may surprise you to know (a) that the total amount received by the Federal Trade Commission and the Antitrust Division, combined, is less than the appropriation for the Securities and Exchange Commission whose functions of course are much more limited and restricted than those of the antitrust agencies; (b) that the annual appropriations for the two antitrust agencies, combined, would have been sufficient to carry on the war effort for a period of about 30 minutes; and (c) that the Federal Trade Commission has now the overwhelming total of eight economists, as does the Antitrust Division, to survey the entire economy, prepare economic reports for Congress, discover the areas of possible monopolistic practices, determine the relative significance and economic importance of the multitude of possible infractions of the law, develop economic data required on individual antitrust actions, and survey the results, from an economic point of view, of the effectiveness of the agencies' actions, for as the monopoly subcommittee report pointed out: "There is oftentimes a great difference between a legal victory and an economic victory." (p. 26)

The fundamental importance of appropriations to any antitrust program cannot be overstressed. Year in and year out the Congress has added to the number of existing antitrust laws, particularly those administered by the Federal Trade Commission. Yet funds have not been provided to carry on these increased responsibilities. As a result, the Federal Trade Commission has been forced to spread its regular appropriations over a wider and wider number of functions, thereby making it impossible for the Commission to do an effective job on any one of the laws under its administration. There is, I believe, no purpose in continuing this practice of increasing the number of statutes to be enforced, if the means of enforcing them are not also provided.

The former economic adviser to the Federal Trade Commission has stated: "An annual appropriation of $150,000,000 for the Antitrust Division of the Department of Justice and $100,000,000 for the Federal Trade Commission will not be too large if monopoly is to be driven out of business." [2]

Mr. MORSE. Mr. President, do I correctly understand from the Senator from Tennessee that he is satisfied that the Federal Trade Commission will carry out the President's program as submitted by the President to Representative CELLER, for example, in regard to greater monopoly control, and that the Commission will need more funds in order to employ additional personnel?

Mr. KEFAUVER. The Senator is correct.

Mr. MORSE. I am very happy to support the Senator's amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was under the heading "Federal Works Agency—Office of the Administrator," on page 18, line 18, after the word "expenses", to strike out "$300,000" and insert "$325,000."

The amendment was agreed to.

The next amendment was, on page 19, line 2, after the word "exceed", to strike out "$15,500" and insert "$20,000"; and in line 4, after the word "year", to insert "including not to exceed $1,200 for administrative expenses in connection with the city of East Peoria sewage project."

The amendment was agreed to.

The next amendment was, on page 19, after line 24, to insert:

Conservation of securities: For expenses necessary for the conservation of the Federal Government's interest in bonds and other obligations in the custody of the Federal Works Administrator, issued for the construction of Public Works Administration projects, including personal services in the District of Columbia and travel expenses; $30,000, to be derived by transfer from the appropriation for. Public Works Administration liquidation in the Independent Offices Appropriation Act, 1949.

The amendment was agreed to.

The next amendment was, under the subhead "Public Buildings Administration," on page 21, line 10, after the word "Columbia," to strike out the comma and "including the salary of the Commissioner of Public Buildings at $12,000 per annum as long as the position is held by the present incumbent."

The amendment was agreed to.

The next amendment was, on page 23, line 16, after the word "conductors", to strike out "$31,140,000" and insert "$32,750,000."

The amendment was agreed to.

The next amendment was, on page 24, line 9, after the word "premises", to strike out "$23,968,800" and insert "$24,968,800."

Mr. MAYBANK. Mr. President, I should like to have the attention of the Senator from Wyoming [Mr. O'MAHONEY].

On page 7 of the bill occurs an amendment which was adopted last evening and which included the expenses of the American Battle Monuments Commission. Knowing that it is always rather hard to have deficiency bills brought to the attention of the committee and of the Senate, and in many instances there has been neglect on the part of some departments to request deficiency appropriations, I call the attention of the Senator from Wyoming at this time to the fact that it may be necessary for the American Battle Monuments Commission, through no fault of their own, to ask for a deficiency appropriation later.

In order that the Senator may know the reasons why that will be done, I wish to say that the American Battle Monuments Commission, I am advised by the Secretary of the Commission, has recently had three additional cemeteries turned over to it in foreign lands, and within the next 8 to 12 months 5 additional cemeteries will be turned over to it, making a total of 8 which will be placed in its care.

During the past few years, under the law, the Army, through the Quartermaster General, has operated these cemeteries, I wish to make the record clear that it is through no fault of the Battle Monuments Commission, or the Secretary, or any of those connected with the Commission, that the proper appropriations were not requested, but under the conditions which exist it will be necessary for the Commission to come to Congress later for a deficiency, when it can figure out the amount of money which will be needed to continue the operation of these cemeteries, principally in foreign lands, which have previously been operated by the Army.

Mr. O'MAHONEY. Mr. President, I am glad the Senator from South Carolina has alluded to this subject. Since the pending bill was reported to the Senate I have received word indirectly from General Marshall that several cemeteries are about to be turned over to the American Battle Monuments Commission by the Army authorities. When that is done, it will become the obligation of the Commission to provide for their care and upkeep. But there is nothing that can be done about it in this bill, because there is no budget estimate as yet. In due course I assume the request will be made of the Bureau of the Budget for an appropriation, and when the budget estimate is sent to the Congress, the appropriate committees both of the House and the Senate will pay attention to it.

However, I think it is worth saying that this illustrates that many of the obligations which the Federal Government must now meet are altogether new obligations which never were undertaken in the past. The pending bill itself carries $5,920,800 for the American Battle Monuments Commission, a new expenditure, but one which the Congress of the United States and the people of the United States felt was wholly desirable because the people of America do not want to have the cemeteries in which their sons are buried go unattended.

Mr. MAYBANK. Mr. President, it was by the consent of the mothers and the fathers of the men who lost their lives that the bodies were allowed to remain in these cemeteries overseas, with the distinct understanding that the Congress would erect proper markers and care properly for the graves. The point I

[2] Willis J. Ballinger, By Vote of the People, Charles Scribner's Sons, 1946, p. 308.

wish to emphasize—and the Senator has ably assisted me—is that it will be necessary to submit to the Appropriations Committees a request for a deficiency appropriation insofar as the Battle Monuments Commission are concerned, so that the additional cemeteries may be properly maintained.

Mr. O'MAHONEY. The Senator is not asking for an amendment now?

Mr. MAYBANK. No; because the budget has not been prepared, but I merely wanted to make the record clear that there would be a deficiency.

Mr. FERGUSON. Mr. President, I ask unanimous consent that the action on the amendment on page 23, line 16, be reconsidered, because I think it should be considered with the item on line 9, page 24. Does the chairman of the committee have any objection to that?

Mr. O'MAHONEY. No, I have no objection to that at all. These are the two appropriations which deal with the maintenance and upkeep of public buildings in the District of Columbia and in the field. The same considerations apply to both.

Mr. FERGUSON. That is correct. I ask unanimous consent that the vote by which the amendment on page 23, line 16, was agreed to be reconsidered.

Mr. O'MAHONEY. I hope the Senator will not ask that the appropriation be reduced.

Mr. FERGUSON. Yes; I am going to do that.

Mr. O'MAHONEY. I ask unanimous consent that the vote by which the committee amendment was agreed to be reconsidered in order that the Senator from Michigan may present his case.

Mr. FERGUSON. It applies to both items.

The PRESIDING OFFICER (Mr. O'CONOR in the chair). Is there objection to the request of the Senator from Wyoming? The Chair hears none, and the vote by which the amendment was agreed to is reconsidered.

Mr. FERGUSON. Mr. President, referring now to the item on page 23, line 16, $32,750,000, I wish to speak at the same time on the item on page 24, line 9, because one relates to the employees in connection with buildings inside the District of Columbia, and the second item to employees in connection with buildings outside the District of Columbia.

It appears that it is now the desire of the Senate Committee on Appropriations to increase the appropriation for taking care of public buildings in the District of Columbia from the amount the House allowed, $31,140,000, to $32,750,000. This of course would be applied to personnel. In other words, it is now proposed that there be an increase of 430 in the personnel, the guards and various employees engaged in repair and other work in buildings in District of Columbia. It appears that the personnel would be increased from 9,670 to 10,100. It is true that the budget estimated that they needed 10,670, which was the number employed in 1949.

Mr. President, I come back to what I had to say about this matter yesterday. We find that the Federal Government is increasing the number on the pay roll by some 350 people a day, and the whole question before the Senate is, How can we afford to increase the personnel year by year, instead of cutting it down, as private establishments are required to do because of their incomes?

There is no question involved in this case like that in the last case. I think the increase of 70 employees in the Federal Trade Commission shows the same trend. If the increase in the Federal Trade Commission had been used solely to handle monopolies, that would have been one thing, but when we consider the history of what has happened, so far as the executive branch of the Government is concerned, in the matter of looking after monopolies, I think there should be more action on the part of the Commission than has been evidenced. The item we have before us has nothing to do with controlling monopolies, which are rampant throughout the United States, or with personnel to investigate such monopolies. The employees involved are policemen, guards, and persons who keep the buildings in repair. If there ever was a time when we could do with less policemen, with less guards in our public buildings, it is now.

What do the departments do whenever Congress tries to cut the number of their employees. It was stated in this connection with this item that the guards and other employees were needed to prevent fires. It was said, "We do not have fire insurance. Therefore, we have to spend this amount of money on guards to prevent fires. If the Members of the United States Senate take one man off our pay roll the buildings will burn down." I simply cannot see that such a great danger exists. Ninety percent of our public buildings are absolutely fireproof. It is stated that there is probably one fire each day in each building. Someone may flip a cigarette into a wastebasket, and the wastebasket catches fire; but the employees are in the office; the individual who flips the cigarette into the wastebasket is in the office and can help put out the fire. Oh, no, it is necessary, so it is said, that two or three guards stand outside every door and that two or three guards stand inside every door so as to be ready to take action in case someone flips a cigarette into a wastebasket and it catches fire.

Mr. President, request is made for 430 more employees in buildings in the District of Columbia. The House gave the subject due consideration and felt that, because of the Government's deficit, we should not employ these 430 individuals and pay them by means of deficit spending. That is what it amounts to—deficit spending.

Let us consider the request of the Public Buildings Administration with respect to the remainder of the country, outside the District of Columbia, which is the next amendment. The House provided $23,968,800 for the remainder of the United States, outside the District of Columbia. The Public Buildings Administration was not satisfied with that amount. It wants to make surveys. It asks for $24,968,800, which would mean an increase in the personnel of 350. That makes a total increase for the whole country of 780 employees. They want to add this personnel, not for the purpose of fighting monopoly, not to take care of the backlogs such as existed in connection with the Federal Trade Commission, but they want this personnel to make surveys.

Mr. President, the time has come when it seems all that is necessary in order to get money out of the Treasury of the United States, through action of the Senate, and even of the House, is to say that it is needed for one of two purposes. One purpose is the making of a survey, and the other the conducting of research. I hope that the Senate Appropriations Committee and the House committee will at some time have the various departments spell out in black and white for them what the surveys which have been conducted in such great number have ever meant to the people of the United States.

In 1946 I made a little survey of my own. I asked the various departments to give me a statement of what the research bodies had really done with the $880,000,000 appropriated for such purposes by the Congress of the United States. I did not receive one satisfactory answer. The departments could not point to one thing the survey or research bodies had done of value for the people of the United States during the previous year.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LANGER. We hear a great deal about the Eightieth Congress. In the Seventy-ninth Congress the Senator from Virginia [Mr. BYRD] and I asked that a fund of $200,000 be appropriated so as to make an investigation to find what could be done by way of cutting personnel. We said we believed the personnel in the Government could be cut by several hundred thousand if a proper investigation were made. The Congress did not appropriate that amount of money. Do I correctly understand that there are more than 9,000 employees now working for the Public Buildings Administration?

Mr. FERGUSON. Yes. I have previously given the figures.

Mr. LANGER. How many employees are there inside the District of Columbia?

Mr. FERGUSON. Under the House figures the number would be 9,670. Under the Senate committee amendment the number would be 10,100. Outside the District of Columbia it is sought to increase the number of employees from 8,046, which is the number in 1949, to 9,276. The Public Buildings Administration wants to increase the number by 1,230.

Mr. President, I hope the Senate will feel that this is a place where a cut can properly be made. The cut would be a small one. We are here dealing with only a few million dollars. I realize that anyone who takes the floor of the Senate and talks about saving thousands of dollars or millions of dollars is apt to be criticized, not only by the Members of the Senate, but by persons outside the Senate, because he is dealing in what some consider to be small figures. But I say

that each one of these items must have the scrutiny of the United States Senate if we are going to get back on the right road. What is the right road? The right road is to avoid deficit spending. If we cannot cut down on persons employed to make surveys, on police officers and guards in the public buildings, on what can we cut down? We hear it said that we cannot cut down on appropriations for investigation and checking of monopolies. I believe we must have better protection against monopolistic practices in the United States; in my judgment, there are items, such as the one we are considering, in connection with which cuts can be made.

Mr. O'MAHONEY. Mr. President, I cannot allow the remarks of the Senator from Michigan to carry the implication that the Senate Committee on Appropriations has been unmindful of the need for economy. I certainly cannot allow his words to carry the implication that the committee on the independent offices appropriation bill was unmindful of the need for economy.

Mr. FERGUSON. Mr. President, will the Senator yield at that point?

Mr. O'MAHONEY. Yes; certainly.

Mr. FERGUSON. I think that is absolutely true. But they have been nonactive in the matter of economy. They have not been unmindful, but they have been nonactive.

Mr. O'MAHONEY. Mr. President, I do not want the Senate to reach the same conclusion that the Senator from Michigan has now expressed, because I want to say for myself and for every member of the committee that the committee has been mindful of the necessity for economy and has been active in consideration of these various items.

So far as the chairman of the subcommittee himself is concerned, he attended every meeting of the committee from the 11th of May until the bill came out of the full committee. The appropriations which we are presenting to the Senate are below the budget figures. So if anyone says that the committee has been either unmindful or inactive, the record does not substantiate that statement.

Let us now take the item which is before us.

Mr. BRICKER. Mr. President, will the Senator yield to me for a moment?

Mr. O'MAHONEY. I yield.

Mr. BRICKER. Mr. President, I ask unanimous consent that the subcommittee of the Committee on Banking and Currency dealing with the coal problem may hold hearings this afternoon during the session of the Senate, beginning at 2:30 o'clock.

Mr. O'MAHONEY. Mr. President, reserving the right to object, I wish the circumstances under which the Senator is laboring permitted members of the Senator's committee to be present and to consider these various appropriations; but I know that that is out of the question. It is absolutely essential that members of the committee be given permission to hold hearings during the session of the Senate, because so many items must be considered and so much work must be done.

I allude to that subject only to illustrate the fact that many a day during the hearings of this subcommittee the chairman of the subcommittee sat alone listening to the testimony. So I use the request of the Senator from Ohio as a vehicle to convey to my colleagues on the floor of the Senate my own belief that the matters contained in this appropriation bill have been studied, and that when I speak about the conditions in connection with this bill, I speak after having examined the testimony.

I have no objection to the unanimous consent request.

Mr. BRICKER. Mr. President, I appreciate the statement of the Senator from Wyoming. I also join with him in regret that we shall not be able to be present at all times during the discussion of this very important measure, on which he has labored so long and so hard. This morning only one Senator was present during the hearing. There is one witness who desires to return to his home, and we wish to take his testimony. I do not think it will require very long.

The PRESIDING OFFICER. Without objection, the request is granted.

Mr. O'MAHONEY. Mr. President, the full committee has approved the action of the subcommittee increasing this appropriation by $1,610,000 above the amount allowed by the House; but the Public Buildings Administration asked for an increase of $2,740,000. So the figure which we are presenting, and which the Senate approved just a moment ago, before the reconsideration, is below the budget figure by $1,850,000. So I submit that the record shows that the committee has been active, and that the committee has been mindful of the need for economy.

Why did we increase this appropriation? Was it because of a desire to throw the money of the taxpayers out the window? Not at all. It was because of our conviction that it was essential that the Public Buildings Administration should have this money if it is to do the job which the Congress has committed to it. The evidence before our committee shows that there are rents to be considered. There are facilities to be considered. There is fuel to be provided. There is upkeep and maintenance. Of course, there is guarding and cleaning, and all that sort of thing, but that is not the important matter.

The Senator from Michigan talks about surveys. It becomes necessary for the Public Buildings Administration to make surveys when the Congress passes a new bill creating a new agency, and authorizes the new agency to employ people. For example, the last Congress created the Displaced Persons Commission, requiring new personnel and some place to go. I could go through the list of bills passed by Congress last year, the year before, and this year, placing responsibilities upon this agency to secure space in the District of Columbia and outside the District of Columbia. I could point out the fact that this agency has been handed the responsibility for taking care of the surplus buildings which were constructed or rented during the war, and which must be taken care of.

There is such a thing as false economy; and I think that is precisely what the trouble is with respect to the criticism of certain items in this bill. As I pointed out when I presented the bill to the Senate yesterday, 86 percent of the appropriations contained in the bill are war-connected appropriations. More than $5,000,000,000 of the appropriations contained in this bill are for the Veterans' Administration. That is where the great expenditures are coming. I submit that it is impossible to balance the budget by cutting out the expenditures of essential civilian agencies of the Government, of which this is one.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MAYBANK. I invite attention to the testimony of Mr. Reynolds, that 6.13 percent of the total estimates for the Public Buildings Administration is accounted for by the passage of Public Law 900 by the last Congress.

Mr. O'MAHONEY. Yes. Of course, the effects of the salary increase bill are scattered throughout this legislation.

The following is a description of the work of the agency for which appropriations are provided on page 23, line 16:

> This estimate is for a service operation in providing for the space necessary to house the functions of the executive branch, and such space requirements are dependent on the action of the Congress in decreasing or increasing the size of the Federal establishment. We have again reviewed the needs for space. A request of $350,000 for 200,000 net square feet of additional leased space was made to meet increasing space requirements of the National Military Establishment and the needs of the Veterans' Administration in setting up an insurance-policy-dividend-payment program. We are hopeful now of partially meeting these demands through the further consolidation of the National Military Establishment in the Pentagon and other buildings presently occupied by that activity and the requirements of the Veterans' Administration through reductions made in other activities of that Administration.

And so it goes. The testimony before the committee was convincing that an increase ought to be allowed. I should add that the House committee, even when it made this reduction, spoke in the highest terms of the administrative efficiency and qualifications of General Fleming, Federal Works Administrator, and Mr. Reynolds, who is the head of this particular agency, as well as Mr. MacDonald, the head of the Public Roads Administration, the appropriation for which we shall reach in a moment. The House committee pointed out that these men are career men, and that they have done fine work. I have no hesitation in saying to the Senate that I do not believe that General Fleming or Mr. Reynolds would have put his signature to a request for a budget estimate or would have appeared before our committee defending such an increase if he had not honestly and patriotically been convinced that it was necessary. I have no doubt that these gentlemen are just as desirous of economy in Federal expenditure as is

any member of the committee or of the Senate.

Mr. President, I hope that these appropriations may be approved as recommended by the committee.

Mr. FERGUSON. Mr. President, the able Senator from Wyoming has indicated that this amendment would reduce below the budget figure the number of personnel in public buildings in and out of Washington.

Mr. O'MAHONEY. Mr. President, I did not say that. The fact is that in one segment there will be a reduction in personnel. Under this appropriation personnel in the Public Buildings Administration in the District of Columbia will be reduced by 570 below the number of persons now employed. That would be accomplished by the appropriation recommended by the committee. But with respect to the appropriation for activities outside the District of Columbia, the number of places authorized in the appropriation bill is larger than the number presently employed, but that is because the obligations are larger.

Mr. FERGUSON. The Senator from Michigan was talking about the budget figures. I am satisfied that the RECORD will show that when the able Senator from Wyoming rose after the Senator from Michigan had spoken, he indicated that the budget figures were higher than the figures which the Senate is now considering, and higher than the figures which the House considered.

Mr. O'MAHONEY. In dollar figures, yes.

Mr. FERGUSON. Let us look at the budget figure. The budget figure was made last fall. The budget figure was made by the executive branch of the Government when we were talking about inflation, when we were talking about raising taxes to get more money, plenty of money, with no deficit spending in mind.

But now we are in July of 1949, and we know the income of the citizens of the United States is shrinking daily. We know we are going daily into deficit spending. Yet Senators stand on the floor of the Senate and say the budget figures are what we should consider.

I am not accusing Mr. Reynolds or General Fleming of any fraud in this case. But do Senators realize that those two gentlemen were dealing in terms of more than 19,000 employees—more than the number of soldiers in a division of the Army—who are said to be necessary in order to take care of the public buildings? Do Senators think General Fleming or Mr. Reynolds knows what the employees in the various buildings are doing? I admit that those two gentlemen have to walk past almost an army of employees when they enter any of those buildings, just as they must when they come here to the Capitol or the House or Senate Office Buildings and see the number of guards and employees who are connected with the several public buildings of which we have charge. No, Mr. President, I say that when they are dealing with 19,000 employees, they take the words of those who are below them.

What do we find? Sitting beside me here in the Chamber is the Senator who last year was the chairman of the Senate Civil Service Committee. Today he is the ranking minority member of that committee, the Senator from North Dakota [Mr. LANGER]. He knows that in the civil-service system the pay of the higher ranking employees is determined by the number of employees under them. Of course, if there are 19,000 persons taking care of the public buildings, that means there are just that many more good jobs, for, as I have said, the salaries of the supervisory employees are based on the number of employees under them, and increase when the number of employees under them increases. I say these are two items on which we can make reductions without interfering with the service to the people of the United States generally or to the veterans in particular. Such reductions will not result in preventing a nurse from taking care of a soldier who is ill and confined to a hospital bed; but these reductions will take political jobs away from some persons who otherwise would have them or get them by virtue of patronage, and the purest kind of patronage.

Mr. President, I wish to restate the figures, because I think all Senators should know what is involved in this matter. The House provided $31,140,000 for the personnel to operate the public buildings in the District of Columbia. The Senate committee voted to increase that amount to $32,750,000. That would result in increasing the personnel by 430 persons. The House figures would provide for a personnel of 9,670, and the Senate committee figures would provide for a personnel of 10,100.

Outside the District of Columbia, the House figures would allow an appropriation of $23,968,800. The Senate committee voted to increase that figure to $24,968,800. That would increase the personnel outside the District of Columbia by 350 and would increase the personnel from 8,376 to 8,726, or a total increase of 780 employees, as compared to the number under the 1949 appropriation bill.

So, Mr. Pressident, on each of these two amendments I ask the Senate to vote not to allow the Senate committee's figures, but to allow the figures voted by the House of Representatives. In other words I ask the Senate to reject the Senate committee's amendments.

Mr. O'MAHONEY. Mr. President, the Senator from Michigan made an allusion which I think requires a simple denial. I know of no patronage involved in appointments of any employees to the Public Buildings Administration. These positions are under the Civil Service. There was not a line of testimony before our committee to the effect that these are patronage employees. They are not patronage employees.

We know what patronage employees are here in the Senate, where we appoint our staffs without regard to the Civil Service. But that is not the question in this case. If anyone should get the idea that the employees of these administrations are political, patronage employees who are appointed to political, patronage jobs, I wish to say clearly that there is not a line in the record to support such a charge.

With respect to the allegation, which is implicit in what the Senator from Michigan has said, that the Appropriations Committee has been neglectful, that it has not been mindful of the necessity for economy in appropriations, I wish to cite three facts which are here involved.

On page 21 of the bill, in line 15, there is an appropriation item carried by the House of Representatives for the general administrative expenses of the Public Buildings Administration. The officials came before our committee and requested that that item be increased by $250,000. They made a persuasive plea for that increase. However, the increase was not allowed. That, I think, justifies my statement that the committee has not been neglectful.

Again let me say that with respect to the item on page 23, the amount recommended for that item by the Senate committee is below the amount of the budget recommendation by $1,850,000. This recommendation is made by your committee, not upon the basis of any representations which were made last December, but on the basis of testimony which was given in open public hearing before the Subcommittee on Independent Offices Appropriations here in the Capital of the United States since the 11th day of May. In other words, this is current judgment by the committee appointed by the Senate to bear the responsibility of making these recommendations.

With respect to the second item on page 24, in line 9, let me say that the Public Buildings Administration requested an increase of $2,663,200 above the amount allowed by the House of Representatives. Your committee, having carefully considered the evidence, decided not to go that far, but to provide for an increase of $1,000,000, instead of an increase of $2,663,000.

Mr. President, I am trying to convince the Senate that the committee in charge of this bill has been careful with the taxpayers' money, and that its recommendations are made only out of the conviction that these appropriations are necessary to enable the Public Buildings Administration to do the job which has been entrusted to it by the Congress.

Mr. FERGUSON. Mr. President, I feel that the Senate committee has not been unmindful of economy. The Senate committee sat and heard witnesses. But anyone who has served on the Appropriations Committee realizes that when the representatives of the various governmental agencies come to the Appropriations Committee, the situation is like that involved in a broken-vessel case in equity. All the witnesses are on one side.

No one attempts to call witnesses who would say whether this policeman or that policeman is needed at some particular door of a certain public building, or whether three or four policemen are needed there, or whether it would be perfectly satisfactory to lock the door at night and have only one guard around it. In other words, all the statements made in the hearings are self-serving statements, as has been indicated.

I do not suppose the Senate is naive enough to believe that because there is

some kind of civil service, there is no patronage. All I have to do is point to the postmasters. They are under the civil-service system. But, of course, we have patronage in the post offices. I have known of a post-office case in which, as I recall, seven different examinations were given in order that patronage might be served.

So, Mr. President, I am not criticizing the committee. I am saying that many Senators feel we ough to have economy. Many of them have said so upon this floor. Here is a case where we can really decide that we want economy, because I feel that not one of the proposed additional employees is material or necessary for the service of the people of the United States. They are in and out of the buildings, in the District of Columbia, and outside the District. Let us vote economy instead of merely talking economy.

Mr. WILLIAMS. Mr. President, I do not think there is a Member of the Senate who has not, during the past 3 months, at some time or other, stood upon the Senate floor to make an eloquent plea for economy. Every Senator preaches economy. Every Senator claims he wants to balance the budget.

On the 28th of June, 62 Senators signed their names to a petition addressed to both the majority leader and the minority leader, in an effort to bring about the consideration of Senate Joint Resolution 108, which would call upon the President of the United States to make a 5-percent cut in all appropriation bills.

I may say I am going to support this joint resolution, if that is the only way we can effect economy, but I think it is a cowardly way to proceed, for the Senate to try to "pass the buck" to the President. It is a cowardly procedure for us to pass appropriation bill providing increases, so we can go back home and tell everybody we voted for their pet appropriations, and then vote for a joint resolution calling upon the President to make a 5-percent cut, so that we can go back home and tell the same people we voted for economy. I think we should stand up and be counted on these yea-and-nay votes. On the next two votes we can put into effect exactly what 62 Senators have said they wanted the President of the United States to do; that is, to make a 5-percent cut by simply voting against the increase proposed by the committee amendment.

In order that the taxpayers may know the difference between voting economy and merely giving it lip service, I ask unanimous consent to have inserted in the RECORD immediately following my remarks a copy of the petition to which I have referred, together with the names of the 62 Senators who boast that they are on record as favoring a 5-percent cut. If we are really sincere in wanting to reduce Government expenditures and balance the budget, then let us start voting accordingly.

The PRESIDING OFFICER. Is there objection to the request?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

To the Honorable SCOTT W. LUCAS, majority leader of the Senate, and to the Honorable KENNETH S. WHERRY, minority leader of the Senate:

The undersigned Senators respectfully request that the majority leader of the Senate, Senator LUCAS, and the minority leader of the Senate, Senator WHERRY, so arrange the schedule of the business of the Senate that Senate Joint Resolution 108, entitled "Joint resolution to reduce expenditures in Government for the fiscal year 1950, consistent with the public interest," shall be made at the earliest practicable date the unfinished business of the Senate, so that said resolution may receive full consideration of the Senate and be brought to a vote on final passage.

Democrats: JOHN L. MCCLELLAN, MILLARD E. TYDINGS, VIRGIL H. CHAPMAN, BURNET R. MAYBANK, JAMES O. EASTLAND, KENNETH MCKELLAR, A. WILLIS ROBERTSON, WALTER F. GEORGE, HARRY F. BYRD, G. M. GILLETTE, CLYDE R. HOEY, E. C. JOHNSON, SHERIDAN DOWNEY, SPESSARD L. HOLLAND, J. ALLEN FREAR, Jr., PAUL H. DOUGLAS, G. L. WITHERS, TOM CONNALLY, PAT MCCARRAN, J. W. FULBRIGHT, JOHN C. STENNIS, OLIN D. JOHNSTON, ELMER THOMAS, JOHN SPARKMAN.

Republicans: STYLES BRIDGES, KENNETH S. WHERRY, CLYDE M. REED, CHAN GURNEY, EDWARD J. THYE, JOHN W. BRICKER, ANDREW F. SCHOEPPEL, ROBERT C. HENDRICKSON, JOHN J. WILLIAMS, OWEN BREWSTER, WILLIAM F. KNOWLAND, ZALES N. ECTON, ROBERT A. TAFT, ALEXANDER WILEY, CHARLES W. TOBEY, JOE MCCARTHY, RAYMOND E. BALDWIN, JAMES P. KEM, HOMER FERGUSON, EDWARD MARTIN, EUGENE D. MILLIKIN, W. E. JENNER, RALPH E. FLANDERS, MARGARET CHASE SMITH, BOURKE B. HICKENLOOPER, KARL E. MUNDT, GEORGE W. MALONE, IRVING M. IVES, HOMER E. CAPEHART, LEVERETT SALTONSTALL, HUGH BUTLER, FORREST C. DONNELL, MILTON R. YOUNG, H. ALEXANDER SMITH, HARRY P. CAIN, H. C. LODGE, Jr., ARTHUR V. WATKINS.

Mr. BRIDGES. Mr. President, on this amendment, I ask for the yeas and nays.

Mr. O'MAHONEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hickenlooper	Millikin
Anderson	Hill	Morse
Baldwin	Hoey	Mundt
Brewster	Holland	Murray
Bricker	Hunt	Myers
Bridges	Ives	Neely
Butler	Jenner	O'Conor
Byrd	Johnson, Colo.	O'Mahoney
Cain	Johnson, Tex.	Pepper
Capehart	Johnston, S. C.	Robertson
Chapman	Kem	Saltonstall
Chavez	Kerr	Schoeppel
Connally	Kilgore	Smith, Maine
Cordon	Knowland	Sparkman
Donnell	Langer	Stennis
Douglas	Lodge	Taft
Downey	Long	Taylor
Dulles	Lucas	Thomas, Okla.
Ecton	McCarran	Thomas, Utah
Ellender	McCarthy	Thye
Ferguson	McClellan	Tobey
Flanders	McGrath	Tydings
Fulbright	McKellar	Vandenberg
Gillette	McMahon	Watkins
Graham	Magnuson	Wherry
Green	Malone	Wiley
Gurney	Martin	Williams
Hayden	Maybank	Withers
Hendrickson	Miller	Young

The PRESIDING OFFICER. A quorum is present. On the pending amendment the Senator from New Hampshire has asked for the yeas and nays.

The yeas and nays were ordered; the legislative clerk proceeded to call the roll and Mr. AIKEN voted "nay" when his name was called.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Will the Presiding Officer please state the form of the amendment which is now before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 23, line 16, striking out the figures "$31,140,000" and substituting therefor the figures "$32,750,000".

Mr. DOUGLAS. A "yea" vote will therefore be a vote to increase the appropriation provided by the House and a "nay" vote will be a vote to hold to the House appropriation. Is that correct?

The PRESIDING OFFICER. A "yea" vote will be in support of the committee amendment, for the increase.

Mr. FERGUSON. Mr. President, I could not hear the first part of the Senator's question. May I have it repeated?

Mr. DOUGLAS. I merely wanted to find out the form in which the amendment is before the Senate, so that we may know what a "yea" vote means and what a "nay" vote means.

The PRESIDING OFFICER. The Chair stated a "yea" vote is in favor of the committee amendment, increasing the amount provided by the House.

The PRESIDING OFFICER (Mr. O'CONOR in the chair). The Chair stated that a yea vote is in favor of the committee amendment, and a "nay" vote is in opposition to the committee amendment.

Mr. TOBEY. Mr. President, it is very important that the Senate know what it is doing.

Mr. GREEN. Mr. President, I was not able to hear the Chair's statement. Will the Chair state the amendment for the information of the Senate?

The PRESIDING OFFICER. The Chair will announce that the question is now on agreeing to the committee amendment appearing on page 23, line 16, to strike out the figures "$31,140,000" and substitute therefor "$32,750,000." A "yea" vote is in favor of the increase as recommended by the Senate committee, and a "nay" vote is in opposition thereto.

The Secretary will proceed with the call of the roll.

The legislative clerk resumed and concluded the call of the roll.

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

The Senators from Georgia [Mr. GEORGE and Mr. RUSSELL] and the Sena-

tor from Tennessee [Mr. KEFAUVER] are unavoidably detained.

On this vote the Senator from Minnesota [Mr. HUMPHREY], who would vote "yea" if present, is paired with the Senator from New Jersey [Mr. SMITH], who would vote "nay" if present.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH], who is absent because of illness is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from New Jersey would vote "nay," and the Senator from Minnesota would vote "yea."

The result was announced—yeas 41, nays 46, as follows:

YEAS—41

Anderson	Johnson, Tex.	Murray
Chapman	Johnston, S. C.	Myers
Chavez	Kerr	Neely
Connally	Kilgore	O'Mahoney
Cordon	Long	Pepper
Downey	Lucas	Robertson
Ellender	McCarran	Saltonstall
Fulbright	McClellan	Sparkman
Gillette	McGrath	Taylor
Graham	McKellar	Thomas, Okla.
Green	McMahon	Thomas, Utah
Hayden	Magnuson	Withers
Hill	Maybank	Young
Hunt	Miller	

NAYS—46

Aiken	Hendrickson	Mundt
Baldwin	Hickenlooper	O'Conor
Brewster	Hoey	Schoeppel
Bricker	Holland	Smith, Maine
Bridges	Ives	Stennis
Butler	Jenner	Taft
Byrd	Johnson, Colo.	Thye
Cain	Kem	Tobey
Capehart	Knowland	Tydings
Donnell	Langer	Vandenberg
Douglas	Lodge	Watkins
Dulles	McCarthy	Wherry
Ecton	Malone	Wiley
Ferguson	Martin	Williams
Flanders	Millikin	
Gurney	Morse	

NOT VOTING—9

Eastland	Humphrey	Reed
Frear	Kefauver	Russell
George	McFarland	Smith, N. J.

So the committee amendment was rejected.

Mr. O'MAHONEY. Mr. President, I am so convinced that the vote of the Senate just now in rejecting the committee amendment was not in the interest of economy, and so convinced that the Public Buildings and Grounds Administration ought to have an increase, that I am going to make a motion to increase the appropriation by a million dollars instead of by $1,610,000, as was recommended by the committee.

Let me point out that the Public Buildings Administration asked for an increase of $2,740,000. The committee did not allow that. It allowed only $1,610,000, which was $1,850,000 below the budget. The amendment which I now offer would be $2,460,000 below the budget.

Mr. President, I make the motion. I do not, however, ask for the yeas and nays. I hope it may be decided by a rising vote.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wyoming.

Mr. FERGUSON. Mr. President, if I understood the Senator from Wyoming correctly, what he desires to do now, since the Senate has refused to allow——

Mr. O'MAHONEY. An increase of $1,610,000.

Mr. FERGUSON. He is proposing to add $1,000,000.

Mr. O'MAHONEY. One million dollars instead of $1,610,000.

Mr. FERGUSON. Mr. President, exactly the same principle is involved. The Senate turned down the figure which would have authorized a personnel of 430 for buildings inside the District, and the chairman of the subcommittee desires that they be allowed to employ something over 200.

Mr. President, it has been figured out that what we propose is exactly a 5-percent cut from the budget, and I think the Senate just voted economy, as Senators have been advocating. It has been pointed out, however, that 62 Senators have signed a petition to have brought up a bill to have the President cut the budget 5 to 10 percent, and here we have an opportunity to cut the budget exactly 5 percent. We did so cut the budget, where we did make a cut. Now we are asked to increase by 2½ to 3 percent.

Mr. President, I hope the Senate will continue to vote economy rather than just talk economy. This is a case where we can vote economy.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Wyoming [Mr. O'MAHONEY] to the committee amendment.

Mr. FERGUSON. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

The Senator from Georgia [Mr. RUSSELL] and the Senator from Utah [Mr. THOMAS] are unavoidably detained.

On this vote the Senator from Minnesota [Mr. HUMPHREY], who would vote "yea" if present, is paired with the Senator from New Jersey [Mr. SMITH], who would vote "nay" if present.

I announce further that on this vote the senior Senator from Utah [Mr. THOMAS], who would vote "yea" if present, is paired with the junior Senator from Utah [Mr. WATKINS], who would vote "nay" if present.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] who is absent because of illness is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from New Jersey would vote "nay," and the Senator from Minnesota would vote "yea."

The junior Senator from Utah [Mr. WATKINS], is detained on official business and is paired with the senior Senator from Utah [Mr. THOMAS]. If present and voting, the junior Senator from Utah would vote "nay," and the senior Senator from Utah would vote "yea."

The result was announced—yeas 39, nays 48, as follows:

YEAS—39

Anderson	Johnson, Colo.	Miller
Chapman	Johnson, Tex.	Murray
Chavez	Johnston, S. C.	Myers
Connally	Kefauver	Neely
Cordon	Kerr	O'Mahoney
Downey	Kilgore	Pepper
Ellender	Long	Robertson
Gillette	Lucas	Saltonstall
Graham	McCarran	Sparkman
Green	McGrath	Taylor
Hayden	McKellar	Thomas, Okla.
Hill	McMahon	Withers
Hunt	Maybank	Young

NAYS—48

Aiken	George	Martin
Baldwin	Gurney	Millikin
Brewster	Hendrickson	Morse
Bricker	Hickenlooper	Mundt
Bridges	Hoey	O'Conor
Butler	Holland	Schoeppel
Byrd	Ives	Smith, Maine
Cain	Jenner	Stennis
Capehart	Kem	Taft
Donnell	Knowland	Thye
Douglas	Langer	Tobey
Dulles	Lodge	Tydings
Ecton	McCarthy	Vandenberg
Ferguson	McClellan	Wherry
Flanders	Magnuson	Wiley
Fulbright	Malone	Williams

NOT VOTING—9

Eastland	McFarland	Smith, N. J.
Frear	Reed	Thomas, Utah
Humphrey	Russell	Watkins

So Mr. O'MAHONEY's amendment was rejected.

SECURITY ACT AMENDMENTS OF 1949—CONFERENCE REPORT

Mr. TYDINGS. Mr. President, I call up the conference report on the bill known as the Security Act amendments of 1949, which is at the desk, and ask for its present consideration.

The PRESIDING OFFICER. The Chair will say that the conference report has previously been laid down, and after some debate, was temporarily passed over.

The question now is on the consideration and adoption of the conference report.

Mr. LODGE. Mr. President, will the Senator from Maryland in a word give us the principal differences between the conference report and the unification bill?

Mr. TYDINGS. In view of the fact that there is quite a full attendance of Senators at this time, and in order to avoid repetition of questioning, I should like to say that when the Senate passed the unification bill some time ago and it went to the House it contained four titles. The House returned the bill with only one title in it, striking out the other three titles, which really dealt with unification, and retaining only that feature which had to do with the comptroller and financial aspects of the Unification Act.

When the bill was taken up by the conferees the basis of the conference, however, was the bill as it had passed the Senate, and that is the bill which is before us now, with probably some 28 amendments, most of which are purely clarifying amendments. In my judgment, they constitute, for the most part, an improvement. They do not represent everything that the Senate conferees would like to have had, but I think it only fair to say that 90 percent of the

him a better answer than I could give offhand.

Mr. SALTONSTALL. Subsection (i) states:

Reorganization Plan No. 8 of 1949, transmitted to the Congress by the President on July 18, 1949, pursuant to the provisions of the Reorganization Act of 1949, shall not take effect, notwithstanding the provisions of section 6 of such Reorganization Act of 1949.

Mr. TYDINGS. The Senator from Massachusetts will recall that the concluding phrase there means that this particular plan cannot take effect. But, inasmuch as the President has this power for the three more years, I believe, he could send us another plan, which we could either accept or reject. We were careful to use that particular language in order to reject this plan only. Its rejection was not made because we were opposed to it, but because we had adopted 90 percent of it, for, in fact, the President had taken almost his whole plan from the Senate bill, in the first place.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. PEPPER. I ask the Senator to yield because I know it is in the public interest to allay any fears as to these matters.

I understand that some steps have been taken so as to allay any fears that the Marine Corps can be abolished.

Mr. TYDINGS. The Marine Corps cannot be abolished, either under this measure or under any other measure which has been passed, without an act of Congress directing or authorizing that to be done.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. LODGE. Does the Senator from Maryland know of any person anywhere in the National Defense Establishment who would wish to abolish the Marine Corps?

Mr. TYDINGS. The Senator from Maryland, so long as he is in the Congress, will resist any attempt to abolish the Marine Corps, because it has been of tremendously valuable assistance to the United States and is worth millions or billions of dollars to our country.

Mr. LODGE. To my mind the talk of abolishing the Marine Corps is one of the wonders of the age, for it is completely without justification.

Mr. TYDINGS. I agree entirely.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. FERGUSON. I should like to inquire about Reorganization Plan No. 8.

Mr. TYDINGS. It has been abolished under the measure.

Mr. FERGUSON. I wonder whether that can be done in this manner.

Mr. TYDINGS. It can be.

Mr. FERGUSON. I understood it was to be done by concurrent resolution, rather than by an act of Congress, a bill, because the President would not have to sign a concurrent resolution rejecting or approving his plan.

Mr. TYDINGS. There are three reasons why I believe it is rejected by this measure, let me say.

First of all, I am so certain that the President is pleased with this unification bill, because it is 90 percent of the proposition he sent to the Congress, which was our proposition to begin with, that I feel sure he will sign it.

In the second place, our legislative counsel, who is very able—Mr. Simms—ably assisted by his counterpart in the House of Representatives, thinks we have approached it in a thoroughly proper way.

In the third place, as to the prestige which may be involved, an act of Congress, as I am sure the Senator from Michigan will agree, will have more binding effect than will a joint resolution of the Congress, although there is actually very little difference.

Mr. FERGUSON. My point is purely a matter of law.

Mr. TYDINGS. I understand that. In other words, the Senator wishes to inquire whether the Congress really has to pass a resolution on this subject, or whether this purpose can be subserved by the passage of an ordinary bill or act of Congress.

Mr. FERGUSON. Yes, because when we do not act upon the reorganization plan, it becomes law.

Mr. TYDINGS. If we are in session.

Mr. FERGUSON. Yes; and it would become law as of that date. So, in effect, that would be a subsequent act to what we are doing today. I wonder whether we can proceed in this way.

Mr. TYDINGS. In order to allay the fears of the Senator from Michigan, let me say to him that at his suggestion I shall have the matter reexplored; and in the event there is any doubt at all that this method will be efficacious, we will have a resolution brought from our committee and presented to the Senate for adoption.

Mr. FERGUSON. That is what I am concerned with, so that we shall not find that by passing this bill we shall automatically have voted in the President's reorganization plan.

Mr. TYDINGS. I shall charge myself with that duty.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. MORSE. I am very glad to hear the statement the Senator from Maryland has made regarding the Marine Corps, for, as he will recall, when the debate was in progress on the bill, there was a proposal in which the Senator from Massachusetts and the Senator from Oregon joined, which would have had the effect of making it possible to transfer for special detail military personnel, including Marine Corps personnel, and also making possible the joint use of military property. But the Senator from Massachusetts and the Senator from Oregon made perfectly clear that the amendment did not affect the roles and missions of the Marine Corps, because, as the Senator from Maryland has pointed out, the only way the roles and missions of any branch of the service, including the Marine Corps, can be affected is by a special act of Congress. The Senator from Maryland will recall that both Senators made as clear as the English language will permit it to be made clear that under the amendment there was no intention to transfer the Marine Corps, and that furthermore that would be impossible because a specific act of Congress would be required, if that were to be done.

Mr. TYDINGS. That is correct. I may say, in furtherance of trying to put this ghost to sleep for all time, that I do not think there is a single member of the House Armed Services Committee or of the Senate Armed Services Committee, or, so far as I know, any single Member of Congress, who contemplates any legislation, or the support of any legislation, which would abolish the Marine Corps. Why this bugaboo keeps rising up, when nobody has offered a bill or is suggesting doing it, I am at a loss to know.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. MALONE. I understood the Senator from Maryland to refer to the heads of the separate departments—Army, Navy, and Air Corps.

Mr. TYDINGS. The Chiefs of Staff.

Mr. MALONE. I misunderstood. I understood first that the heads of the departments, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Corps, could go direct to the President, regardless of the Secretary of Defense. I was going to ask if that included their coming to the Congress independently as they always have.

Mr. TYDINGS. It does, and I may say to the Senator I am glad that he asked that question, because I think it is worthy of this additional comment about what has happened. A man who is a civilian in one of the three defense departments has a certain liberty in coming to Congress and talking with Members of Congress and coming before committees that a member of the armed services does not enjoy, for he is in an organization which is under strict orders and discipline. Therefore, we have worded the bill so that no one of the three services could be put into a strait-jacket, if they felt their particular branch was not receiving the consideration to which it was entitled. The bill provides that they may go to the President or any place else, to complain, if they think a complaint is necessary.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. TYDINGS. The Senator understands why there is a great difference between a civilian head and a military man who wears the uniform and is under orders of the Commander in Chief. I yield to the Senator from Nevada.

Mr. MALONE. I understand the difference. I frankly confess I have never posed as an expert as to what particular kind of defensive or offensive tactics or equipment should be adopted and employed—but of one thing I am fully convinced—four men cannot direct—it must have one head. That is what happened to our friend, Jim Forrestal—a lack of unification, everybody in the Department running wild and offering advice to Congress and to the President. I brought it up because, even if he be a civilian and can bypass the Secretary of Defense and come to Congress and to the

President, offering independent advice, it is not good—can they do that under this bill?

Mr. TYDINGS. That is correct.

Mr. MALONE. He can come to Senators and he can appear before committees without the knowledge of the Secretary of Defense. Is that correct?

Mr. TYDINGS. That is correct.

Mr. MALONE. As I understand, he can do that, without the consent of anybody and without consulting anybody.

Mr. TYDINGS. That is correct.

Mr. MALONE. Then, in my opinion, it is a mistake.

Mr. TYDINGS. I think there is a good deal to be said on both sides of the question, but the committee frankly erred on the side of not wanting to cut off these men, for fear we would be charged with creating a dictatorship.

Mr. MALONE. Mr. President, if the Senator will yield, I should like to make a further comment in the form of a question. None of us, least of all the junior Senator from Nevada, knows exactly what should be done for national defense, but I have confidence in the present Secretary of Defense and in the Military Establishment set up through legislation in which the Senator from Maryland had an important part. But from whom are we to get authentic information? Are we to get it from the Joint Chiefs of Staff and the Secretary of Defense, or can just anybody barge in with their conflicting advice, as they always have.

Mr. TYDINGS. I may say to the Senator, in that regard, we are permitted to call upon anybody in uniform in the Defense Establishment, to come before any committee of Congress, and to honor any letter or request for information that is sent to the department.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. TYDINGS. I yield.

Mr. MALONE. It is not a question of whom we shall call. If I invite someone to my office, I understand he is to be permitted to come, and the same is true with respect to the Senator from Maryland and with respect to committees. But I do not believe that the heads of departments should continue their free, unlimited, and, I may say, uncoordinated advice as in the past; the place to offer their advice is to the Chiefs of Staff and to the Secretary of Defense, then come officially with a properly coordinated story.

Mr. TYDINGS. I see what the Senator is particularly addressing his questions to. The point escaped me at first, when he asked the question. What he is asking me is, if we allow this privilege, can one of them come before Congress and attempt an undermining operation, so to speak.

Mr. MALONE. Yes; and can they continue as they have in the past?

Mr. TYDINGS. I do not think that would be possible, unless some committee of the House or Senate asked the individual to come. Otherwise, he would have to resign in order to make his protest.

Mr. MALONE. That is perfectly satisfactory. All the junior Senator from Nevada is interested in is to know the objectives in case of an emergency, and how they intend to reach such objectives. I am not the least interested in any particular arm of the services nor in personalities, but I do want to know that the best brains available have been utilized and that they have reached a decision and what Congress must do to make it possible to carry out the plans.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. DOUGLAS. I compliment the Senator from Maryland upon his assurance there is no danger that the Marine Corps will be dissolved.

Mr. TYDINGS. There is not the slightest danger of that.

Mr. DOUGLAS. That is what friends of the Marine Corps feared. We were not afraid the Corps would be abolished, but we were afraid the functions of the Corps would be stripped from it, and that it would be reduced merely to guard and housekeeping duties. I wonder whether the Senator from Maryland could give us any assurance on that subject.

Mr. TYDINGS. The Senator can rest assured. We shared his apprehension, but did not share all the fears we heard expressed. So, whether they were sound or unsound, we said we would write into this bill certain language which would make impossible even an indirect approach to the fear and apprehension the Senator has expressed that there might be a means whereby the Marine Corps' function could gradually be sapped away, so that it would be only a deck-duty or deck-guard outfit. We have specifically provided that its roles and its missions cannot be affected in any way, even by transfer on a temporary basis. The Senator may take my word for it that we have gone out of our way by additional language to reemphasize everything I told him before.

Mr. DOUGLAS. Did the Senator consider the possibility of establishing the strength of the Marine Corps at 6 percent of the combined strength of the Army, the Air Force, and the Navy?

Mr. TYDINGS. That would have to come up in a separate bill, which we have before our committee, and is not properly, if I may say so, a part of this bill. The strength of the unit is not considered in this bill.

Mr. DOUGLAS. But will the Senator give assurance the Marine Corps will not be reduced to mere guard and housekeeping duties?

Mr. TYDINGS. Valuing my word, I may say to the Senator in answer to his question, I foresee not the slightest diminution in the glory, the traditions, and the future of the United States Marine Corps. I am proud to make that statement.

Mr. DOUGLAS. I thank the Senator very much.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The PRESIDING OFFICER. The question recurs on the committee amendment on page 24, line 9, to strike out "$23,968,800" and insert "$24,968,800."

Mr. FERGUSON. Mr. President, I should like to say a word in connection with this amendment. It is the same kind of an amendment we have previously passed upon, except that I think it is more important, because it adds 1,230 employees over the 1949 figure. The House figure provided for 350 fewer employees than the Senate committee is now suggesting. It has been fully debated. The amendment relates to buildings outside the District of Columbia. They are similar to those inside the District.

I think the Senate should vote to reject the amendment.

Mr. O'MAHONEY. Mr. President, I shall not burden the Senate with any discussion of this amendment, except to say—and I wish that this statement might be heard by every Member of the Senate—the committee, in making its recommendations to the Senate, has reduced the total appropriation in the bill by 5.2 percent below the budget figures. This particular amendment is below the budget figures. The Public Buildings Administration asked for an increase of $2,663,200. The committee denied that increase, and granted only $1,000,000. But there is a budget cut of 5.2 percent, which is, I understand, in compliance with the recommendations made in the petition signed by some 62 Senators. Here is a compliance with that suggestion.

I hope the committee amendment will be adopted.

Mr. WILLIAMS. Mr. President, in order that the RECORD may be kept straight, let me say that I think the Senator from Wyoming is a little bit confused. In 1949 the Senate authorized 8,046 employees for the same agency The House amendment provided for 8,276 employees, or an increase of 230 more than last year. Even if the Senate rejects the committee amendment and cuts this agency 5 percent, we would still be providing 230 more employees for the same agency than were provided last year.

Mr. O'MAHONEY. Mr. President, the Senator from Wyoming is not confused. He is perfectly well aware of what the personnel situation is. I have said, and I repeat, that the recommendation made by the committee is below the budget figure. There can be no question about that. Of course, there has been an increase in personnel, but that is by reason of the fact that the Congress of the United States, by law, has placed additional burdens upon the Public Buildings Administration with respect to the handling of buildings outside the District of Columbia. We give them, with one voice, additional duties to perform; we then, by law, increase salaries by $550,000,000, and then by another action we undertake to deny the appropriations necessary to enable the agency to per-

form the functions it is obligated and directed, under the law, to perform.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. O'MAHONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hendrickson	Maybank
Anderson	Hickenlooper	Miller
Baldwin	Hill	Millikin
Brewster	Hoey	Morse
Bricker	Holland	Mundt
Bridges	Humphrey	Murray
Butler	Hunt	Neely
Byrd	Ives	O'Conor
Cain	Jenner	O'Mahoney
Capehart	Johnson, Colo.	Pepper
Chapman	Johnson, Tex.	Robertson
Chavez	Johnston, S. C.	Russell
Connally	Kefauver	Saltonstall
Cordon	Kem	Schoeppel
Donnell	Kerr	Smith, Maine
Douglas	Kilgore	Sparkman
Downey	Knowland	Stennis
Dulles	Langer	Taft
Ecton	Lodge	Taylor
Ellender	Long	Thomas, Utah
Ferguson	Lucas	Thye
Flanders	McCarran	Tobey
Fulbright	McCarthy	Vandenberg
George	McClellan	Watkins
Gillette	McKellar	Wherry
Graham	McMahon	Wiley
Green	Magnuson	Williams
Gurney	Malone	Withers
Hayden	Martin	Young

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the amendment of the committee on page 24, line 9.

Mr. FERGUSON. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. LUCAS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

The Senator from Rhode Island [Mr. MCGRATH], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Oklahoma [Mr. THOMAS] are unavoidably detained.

The Senator from Maryland [Mr. TYDINGS] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "nay."

The result was announced—yeas 38, nays 49, as follows:

YEAS—38

Anderson	Hunt	Miller
Chapman	Johnson, Tex.	Murray
Chavez	Johnston, S. C.	Neely
Connally	Kefauver	O'Mahoney
Cordon	Kerr	Pepper
Downey	Kilgore	Russell
Ellender	Long	Saltonstall
Gillette	Lucas	Sparkman
Graham	McCarran	Taylor
Green	McKellar	Thomas, Utah
Hayden	McMahon	Withers
Hill	Magnuson	Young
Humphrey	Maybank	

NAYS—49

Aiken	Bridges	Capehart
Baldwin	Butler	Donnell
Brewster	Byrd	Douglas
Bricker	Cain	Dulles
Ecton	Kem	Schoeppel
Ferguson	Knowland	Smith, Maine
Flanders	Langer	Stennis
Fulbright	Lodge	Taft
George	McCarthy	Thye
Gurney	McClellan	Tobey
Hendrickson	Malone	Vandenberg
Hickenlooper	Martin	Watkins
Hoey	Millikin	Wherry
Holland	Morse	Wiley
Ives	Mundt	Williams
Jenner	O'Conor	
Johnson, Colo.	Robertson	

NOT VOTING—9

Eastland	McGrath	Smith, N. J.
Frear	Myers	Thomas, Okla.
McFarland	Reed	Tydings

So the amendment of the committee was rejected.

The PRESIDING OFFICER (Mr. GILLETTE in the chair). The next committee amendment will be stated.

The next amendment was, under the subhead "Public Roads Administration," on page 27, line 23, after the word "means", to strike out "including the salary of the Commissioner of Public Roads at $12,000 per annum so long as the position is held by the present incumbent, and."

Mr. BRIDGES. Mr. President, I should like to address a question to the chairman of the subcommittee. I wonder if in the interest of saving time the chairman of the subcommittee is willing, with respect to all items of the bill which involve increase in personnel, to have them voted on en bloc? The motion of the Senator from New Hampshire would be to reduce such items, to bring them back to the House figures, leaving out the item dealing with the Housing Expediter, a matter which should be discussed, and the provision for the Veterans' Administration, which has to do with getting out Government life-insurance dividends?

Mr. O'MAHONEY. Mr. President, I will say that I cannot quite agree with the premise which the Senator lays down. In most of these cases the amendments reported by the committee do not involve any increase of personnel. The Senator speaks of an increase of personnel with respect to the relation between the bill as reported by the Senate committee and the bill as passed by the House. When I speak of personnel I speak of the relationship between the bill as reported by the Senate committee and the present personnel as authorized in the appropriations passed at the last session of Congress for the fiscal year 1949.

For example, in a moment we will come to the item relating to the Public Roads Administration. I do not think that item should be determined upon the basis of personnel. So I hope the Senator will not pursue that course, but that we may proceed with the consideration of the items.

Mr. BRIDGES. I understand the Senator would not consider that proposal?

Mr. O'MAHONEY. I am afraid I cannot do so.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 27, line 23.

The amendment was agreed to.

The next amendment was, on page 31, line 8, after "(58 Stat. 838)", to strike out "$373,491,000" and insert "$390,000,000."

The amendment was agreed to.

The next amendment was, in line 14, after the word "and", to strike out "$225,000,000" and insert $241,509,000."

Mr. DOUGLAS. Mr. President, I wonder if we may have an explanation of the increase in the items for Public Roads?

Mr. O'MAHONEY. I shall be very glad to make an explanation. The reduction in the House bill was a percentage reduction. Of course, it went far below the budget estimate. The restoration which the committee has recommended is still below the budget estimate. The Public Roads program was initiated in compliance with an act of Congress for the post war rehabilitation of roads throughout the United States. I know of no expenditure by the Federal Government which is more productive of new business, of new revenue to the Government, of employment and of improved economy generally, than that for public roads.

Mr. DOUGLAS. Will the Senator yield further?

Mr. O'MAHONEY. I yield.

Mr. DOUGLAS. Am I correct in my understanding that the estimate made by the Bureau of the Budget in the fall of last year, was $400,000,000?

Mr. O'MAHONEY. Yes.

Mr. DOUGLAS. And that the amount recommended by the Senate committee is $390,000,000?

Mr. O'MAHONEY. Yes; $10,000,000 below the budget.

Mr. DOUGLAS. Or a cut of only 2½ percent. In view of the fact that the general price level has fallen by approximately 7 percent since then, is it not possible for the committee to make a larger reduction than $10,000,000 in the appropriation, and still receive the same amount of service which would have been possible under the amount called for in the budget estimate made 6 months ago?

Mr. O'MAHONEY. The figure is far below the authorization, far below the need. I think it would be a great mistake to make any further cut from that which the committee has made.

There is great unemployment throughout the United States. There is no expenditure which does more to alleviate unemployment by creating substantial productive employment than this. The automobile industry, the manufacture of trucks, the manufacture of passenger cars, the refining of oil, the servicing of cars, all sorts of business and industry are promoted by the construction of the Federal-aid highways. Such construction provides revenue for the Government. To reduce this program at a time when we are receiving reports of increased unemployment would, in my opinion, be a most short-sighted and uneconomic action.

Mr. DOUGLAS. Mr. President, will the Senator again yield?

Mr. O'MAHONEY. I yield.

Mr. DOUGLAS. Is it not true that approximately the same defense can be made for virtually every other item in the budget? Cannot every item be defended on the ground that it gives employment?

Mr. O'MAHONEY. Oh, no.

Mr. DOUGLAS and Mr. HOLLAND addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wyoming yield; and if so, to whom?

Mr. O'MAHONEY. I yield first to the Senator from Illinois.

Mr. DOUGLAS. Cannot every item be defended on the ground that every dollar expended by the Federal Government gives employment?

Mr. O'MAHONEY. I shall try to reply to the Senator from Illinois before yielding to my colleague from Florida.

There are many items in this bill in connection with which we have recommended no increase, though increases were requested. There are items in the bill in connection with which we will recommend reduction. When we come to the national service life insurance, for example, I shall recommend a reduction of some $202,000,000 below the budget estimate, because I believe it is not an essential expenditure at this itme. But expenditures of public money for the construction of public roads are essential and they are productive. There is a difference between a productive expenditure and a purely ministerial expenditure.

Mr. DOUGLAS. Mr. President, will the Senator yield for one further question?

Mr. O'MAHONEY. Yes, indeed; I am very happy to yield.

Mr. DOUGLAS. Certainly the fall in prices since the time the budget was drawn has been more than 2½ percent, the percentage of the cut made by the Senate committee in its recommendation.

Mr. O'MAHONEY. Yes; but the Senator is proceeding from the assumption that the program should be limited. I say to the Senator that the program of the Bureau of Public Roads has not yet begun to approximate the need of the country.

Mr. DOUGLAS. May I then point out to the Senator from Wyoming that what he is in effect arguing is that a larger volume of construction with $390,000,000 should be carried out than was contemplated by the Budget Bureau when it made its estimate of $400,000,000?

Mr. O'MAHONEY. I acceded to the action of the committee in cutting $10,000,000 below the $400,000,000, because I believed that with the $390,000,000 we might be able to carry out the $400,000,000 program; but I am not altogether certain that that will be possible.

Mr. DOUGLAS. But that is sixteen and one-half million more than the amount appropriated by the House.

Mr. O'MAHONEY. Oh, yes; the Senator is quite correct.

Mr. HOLLAND, Mr. LANGER, and Mr. THYE addressed the Chair.

The PRESIDING OFFICER (Mr. GILLETTE in the chair). Does the Senator from Wyoming yield; and if so, to whom?

Mr. O'MAHONEY. I yield first to the Senator from Florida, who was first on his feet.

Mr. HOLLAND. Mr. President, I should like to address a question to the distinguished Senator. Is it not true that this particular item represents the Federal contribution to a cooperative effort with the States?

Mr. O'MAHONEY. Yes.

Mr. HOLLAND. In that effort joint State-Federal budgets have been worked out. It would constitute a decided breach of faith on the part of the Federal Government to cut the amount provided for and prescribed by the cooperative budget.

Mr. O'MAHONEY. The Senator, as a former governor of the State of Florida, is thoroughly familiar with the plan under which the Federal aid highway program is carried out. It may be well to state it. In the first instance, the State highway department submits to the Public Roads Administration its requests. Those requests are sifted by the Public Roads Administration. Some are approved and some are rejected. When the program is approved, the State proceeds to draw up plans in conformity with the regulations of the Public Roads Administration. Then the contracts are let to public bidding, and the work is begun. In the meantime—and this operation requires several years—the obligations of the Federal Government and of the States begin to pile up. So, of course, unwise cutting of these appropriations would undermine the capacity of the Federal Government to meet the obligation which has been assumed.

Mr. THYE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Minnesota.

Mr. THYE. The Senator from Wyoming is entirely correct in his statement that there is a great deficit in highway construction because of the war restrictions, which delayed highway construction during the war years. Likewise, the States were restricted. The States were under restrictions so far as cement and reinforcing steel were concerned. They accumulated balances. Practically all States with which I am familiar have large highway funds awaiting the day when the restrictive measures would be lifted. The restrictive measures have been lifted, and the States have the funds with which to match Federal funds. It is for that reason that this Federal appropriation is absolutely necessary, and should be supported, because there is a deficit in highway construction the Nation over.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LANGER. Is it not also true that the cost of building roads has increased about one-third over the cost 8 or 9 or 10 years ago?

Mr. O'MAHONEY. Of course, the cost of construction is much greater now than it was prior to the war.

Mr. LANGER. Not only that, but this program also includes a plan for secondary roads, which we did not have 8 or 9 years ago.

Mr. O'MAHONEY. The Senator is quite correct.

Mr. LANGER. I associate myself with the Senator from Minnesota. We certainly need every dollar we can get for roads in farming areas.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. SALTONSTALL. To supplement what the Senator from Wyoming has said, Mr. MacDonald, Public Road Administrator, who I believe is one of the best Federal officials and one of the fairest and more honorable men I know in the Federal Government, makes this statement, which I think answers the Senator from Illinois [Mr. DOUGLAS] more specifically. He said in substance before the committee:

> The approved programs are based upon the apportionment, that is correct. We make the apportionment under the formula approved by Congress, to each State. The State then proceeds to submit the program of projects to take up the individual amounts that go into their programs. There is a lag at the present time of about 24 or 25 months. It is the only way that an aid program could possibly be carried into effect.

I think the Senator from Wyoming will agree with me that this is a program which stretches over the future, by at least 2 years. As to the question of costs as compared with costs a few months ago, that really does not enter into consideration in connection with this appropriation to nearly so great an etxent as it does with respect to some of the other items, because of the lag.

Mr. HUNT. Mr. President, will my colleague yield to me?

Mr. O'MAHONEY. I yield.

Mr. HUNT. I should like to ask my distinguished colleague if he is aware of the fact that park approach roads have a backlog of $175,000,000 worth of projects.

Mr. O'MAHONEY. That was the testimony which was given before our committee.

Mr. HUNT. I am sure that my colleague understands that in this bill there is only $7,500,000 available for that purpose.

I should like to ask my distinguished colleague one further question. Is it not a fact that the people throughout the United States are misguided in thinking that the 1½-cent gasoline tax collected by the Federal Government goes for the building of highways?

Mr. O'MAHONEY. That is correct. That money goes into the general Treasury, as I understand.

Mr. HUNT. Does my colleague know that in the past 10 years that amount has exceeded by 33 percent all the money poured back into the States for highway construction?

Mr. O'MAHONEY. My colleague will confirm my statement, I am sure, that in our small State—small in terms of population, but great in beauty and great in area, and great in its production—there is collected every month more than half a million dollars, if not $600,000, in gasoline taxes, which money goes back into the building of roads.

Mr. HUNT. Every cent goes back into the building of roads. Twenty-five percent is returned to cities and counties, but that must go into highways and into secondary roads.

Mr. O'MAHONEY. Many times when we go down the Federal-aid highways

of Wyoming we see cars from Illinois on the way to Yellowstone National Park, to Grand Teton Park, to the oil fields of Wyoming, and the coal fields of Wyoming. Is not that a fact?

Mr. HUNT. That is certainly a fact.

Let me ask my colleague another question. Is he aware of the fact that during the frontier days celebration the count of cars shows that the greatest number of cars in Cheyenne are from the State of Illinois?

Mr. O'MAHONEY. That is true.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CHAVEZ. My little share in this debate is as follows: I am sorry that the Committee on Appropriations did not see fit to go beyond the Budget Bureau and recommend to the Senate that it appropriate what was authorized, which was $450,000,000 a year for 1950 and 1951. The Congress at its next session will have to take some action, because the backlog which the Senator from Wyoming has so well described exists. Highway construction is greatly in arrears. Highways took a terrible beating because of the war. As a matter of fact, highway authorities from the State of Illinois and from the State of New York, two heavily populated States, recommended an authorization of $1,000,000,000, not $450,000,000. So I am sorry that, notwithstanding the authorization of $450,000,000, and the fact that we are in arrears, the appropriation recommended is $60,000,000 less than the authorization.

Mr. O'MAHONEY. I thank the Senator.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. DOUGLAS. I should like to ask the Senator from Wyoming two questions, but before I do so I wish to say that the people of Illinois have always had a very high opinion of Wyoming and its distinguished representatives. We gave to Wyoming the distinguished junior Senator [Mr. HUNT]. It is always a great pleasure for our citizens to go West and broaden their minds and cultivate their spirits in Wyoming.

I should like to ask two questions. The distinguished Senator from Wyoming stated that we could not cut these appropriations below $390,000,000, because authorizations had been made in advance. I should like to ask him who made those authorizations—the Public Roads Administration or the United States Congress.

Mr. O'MAHONEY. The United States Congress made the authorizations.

Mr. DOUGLAS. In previous years.

Mr. O'MAHONEY. Yes. Then the Public Roads Administration, carrying out the authorization and carrying out the provisions of the appropriation acts, incurred the obligations with the States to which the Senator from Florida [Mr. HOLLAND] has alluded.

Mr. DOUGLAS. Then do I correctly understand the Senator from Wyoming to say that once an authorization has been made, the Congress must appropriate sums in equal amount?

Mr. O'MAHONEY. Of course not.

Mr. DOUGLAS. It is obvious that an authorization does not bind us to make an appropriation in equal amount.

Mr. O'MAHONEY. Of course I did not say that. But I say that when the Government of the United States assumes an obligation, it should meet the obligation. The Senator from Illinois should not confuse the word "obligation" with the word "authorization."

Mr. DOUGLAS. Mr. President, I can slap my hands together as loudly as the Senator from Wyoming can; and I shall say in reply that if we are going to try to reduce expenses, this is the place to begin to do it.

Mr. O'MAHONEY. Mr. President, this is the place in which to begin to create unemployment and to reduce business, if that is what Senators desire to do.

Mr. DOUGLAS. Mr. President, I should like to ask the Senator from Wyoming whether the question asked by the able junior Senator from Wyoming is quite to the point. He spoke of our taking in more money from gasoline taxes than we pay out in expenditures on public roads, and I thought he inferred that the gasoline taxes are earmarked for public-road construction.

I have always thought that our revenue system is one in which all revenues go into the general Treasury and are mixed together, and are not specifically earmarked for special purposes.

I submit that the question is not how much we take in from gasoline taxes, as compared with how much we spend for roads, but the question is the general fiscal situation of the Government.

I know that making appropriations for public roads is a very popular thing, and I know that any Member of Congress who proposes to cut appropriations for public roads loses votes. I know that perfectly well. But if we are going to try to reduce expenses, I submit we need more than a 2½-percent cut in appropriations.

I shall not ask for a yea-and-nay vote on this amendment; I shall not try to put any Member of the Senate on the spot. But I shall move to strike out the addition proposed by the committee and permit to stand the amount of the appropriation made by the House of Representatives. I now make that as a motion.

Mr. CHAVEZ. Mr. President, I ask for the yeas and nays.

Mr. O'MAHONEY. Mr. President, I wish to say to the Senator from Illinois that it is not necessary for him to make such a motion. All he has to do is vote against the committee amendment. The amendment provides for the increase which has been under discussion. All the Senator needs to do is to vote "no."

Mr. WHERRY. Mr. President, on this question I ask for the yeas and nays.

Mr. THYE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. THYE. I wish to say that I cannot agree with the junior Senator from Illinois when he says this is one place where economies can be made. Ours is a growing economy, Mr. President. We have a greater population today than we had at the conclusion of the war. At the conclusion of the war there was a deficit in highway construction because of the fact that during the war we had to forego such construction. Considerable amounts of State funds are waiting for matching funds on the part of the Federal Government for the construction of roads.

We must construct highways. We must construct highways that are needed in the United States, not only in my State, but in every other State of the Union. The highway system which this fund will assist in building is not only one which aids and strengthens our economy, but it aids us in the safety measures we must take, in case we ever again are confronted with a situation comparable to the one we have just experienced during the years of the recent war.

I say this is a very worthy appropriation, Mr. President. If we attempt to bring about economy here, it will be a short-sighted step.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. McKELLAR. I wish to say that I was in the House of Representatives many years ago—in 1915 or 1916, as I recall—when the first Federal-aid road bill was enacted into law. Mr. MacDonald, the present head of the Public Roads Administration, has been with that administration all along, and during most of his service with it he has been its head. It is one agency of the Government which, so far as I can recall, has never been subjected to any real criticism. I cannot recall ever having heard any real criticism of it. The money appropriated for this purpose has been wisely and beneficially spent. It has probably done more good than has any other expenditure, in the way of contributing to the growth and prosperity of the Nation and the happiness of the people. The bills by which funds have been appropriated for this purpose probably have contributed more to the happiness and prosperity of the people than has any other bill ever passed by the Congress.

Mr. President, I hope the Senate will vote for the small increase that is recommended in this case by the committee, as compared with the amount of the appropriation made by the House of Representatives. I think it is wise. I think it is the best thing possible for the people of the United States at this time. I hope the amendment will be adopted.

Mr. O'MAHONEY. Mr. President, I yield the floor.

Mr. TAYLOR. Mr. President, I should like to say that I certainly hope the Senate will agree to the committee amendment. Funds for roads are definitely needed.

In Idaho, with the Republican State administration, we find that the situation is—as it usually is when we have a Republican administration—that the roads are in deplorable shape. [Laugh-

ter.] In fact, the roads in Idaho are so bad that when Bing Crosby went across the State recently, he said he did not see how Lewis and Clark ever crossed the State at all. [Laughter.]

So if the Senator from Illinois will stop and think for a moment, I am sure he will realize that, as a Democrat, he does not wish to add to the troubles we already have in Idaho because of the Republican State administration. Certainly we should vote to add at least these funds to the amounts available for building roads.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment. Without objection, the amendment is agreed to.

SEVERAL SENATORS. The yeas and nays, Mr. President.

The PRESIDING OFFICER. The yeas and nays are requested.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. Did not the Chair rule?

The PRESIDING OFFICER. The Chair ruled that the amendment was agreed to. However, inasmuch as the yeas and nays were previously requested, and now have been additionally requested, without objection, the vote by which the amendment was agreed to will be reconsidered. Is there objection? The Chair hears none.

Mr. DOUGLAS. I ask for the yeas and nays, Mr. President.

The yeas and nays were ordered.

Mr. WHERRY. What is the amendment upon which we are about to vote?

The PRESIDING OFFICER. It is the committee amendment in line 14, on page 31.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], and the Senator from Arizona [Mr. McFARLAND] are absent on public business.

The Senator from New Mexico [Mr. ANDERSON], the Senator from Louisiana [Mr. ELLENDER], the Senator from North Carolina [Mr. GRAHAM], the Senator from Rhode Island [Mr. McGRATH], and the Senator from Oklahoma [Mr. THOMAS] are unavoidably detained.

The Senator from Maryland [Mr. TYDINGS] is necessarily absent.

I announce further that if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Louisiana [Mr. ELLENDER], the Senator from Delaware [Mr. FREAR], the Senator from North Carolina [Mr. GRAHAM], the Senator from Arizona [Mr. McFARLAND], the Senator from Rhode Island [Mr. McGRATH], the Senator from Mississippi [Mr. EASTLAND], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "yea."

The Senator from Connecticut [Mr. BALDWIN], the Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Utah [Mr. WATKINS] are detained on official business.

The result was announced—yeas 61, nays 20, as follows:

YEAS—61

Aiken	Hunt	Mundt
Cain	Ives	Murray
Chapman	Johnson, Colo.	Myers
Chavez	Johnson, Tex.	Neely
Connally	Johnston, S. C.	O'Conor
Cordon	Kefauver	O'Mahoney
Downey	Kerr	Pepper
Dulles	Kilgore	Russell
Ecton	Langer	Saltonstall
Fulbright	Lodge	Smith, Maine
George	Long	Sparkman
Gillette	Lucas	Stennis
Green	McCarran	Taft
Gurney	McCarthy	Taylor
Hayden	McClellan	Thomas, Utah
Hendrickson	McKellar	Thye
Hickenlooper	Magnuson	Wiley
Hill	Maybank	Withers
Hoey	Miller	Young
Holland	Millikin	
Humphrey	Morse	

NAYS—20

Bricker	Ferguson	Martin
Bridges	Flanders	Robertson
Butler	Jenner	Schoeppel
Byrd	Kem	Vandenberg
Capehart	Knowland	Wherry
Donnell	McMahon	Williams
Douglas	Malone	

NOT VOTING—15

Anderson	Frear	Smith, N. J.
Baldwin	Graham	Thomas, Okla.
Brewster	McFarland	Tobey
Eastland	McGrath	Tydings
Ellender	Reed	Watkins

So the amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, under the subhead "Bureau of Community Facilities," on page 34, line 9, after the figures "$367,000", to strike out the colon and the following proviso: *"Provided,* That the foregoing limitation of $4,000,000 for administrative expenses is reduced to $3,800,000."

Mr. TAFT. Mr. President, I ask that the amendment be divided.

Mr. O'MAHONEY. Mr. President, there is a mistake in the submission of the amendment. There are two amendments here, one dealing with water pollution, in two items, and there is another in lines 10 and 11, which has to do with the proviso. It has nothing to do with water pollution. That is a separate amendment, and I think it should be disposed of first.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 34, beginning in line 9, it is proposed to strike out the words "*Provided,* That the foregoing limitation of $4,000,000 for administrative expenses is reduced to $3,800,000."

Mr. TAFT. Mr. President, I am interested in the next amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, on page 34, beginning in line 12, to strike out down to and including line 2, on page 35, as follows:

Grants for plan preparation, water pollution control: For grants to States, municipalities, or interstate agencies to aid in financing the cost of action preliminary to the construction of projects for water pollution control as authorized by section 8 (c) of the Water Pollution Control Act of June 30, 1948 (62 Stat. 1155), $400,000.

Administrative expenses, water pollution control: For expenses necessary to carry out the administrative functions of the Federal Works Agency under the provisions of the Water Pollution Control Act of June 30, 1948 (62 Stat. 1155), as authorized by section 8 (e) of said act, including personal services in the District of Columbia; travel; hire of passenger motor vehicles; health service programs as authorized by law (5 U. S. C. 150); and exchange of books; $100,000.

Mr. TAFT. Mr. President, I desire to oppose the committee amendment. The committee has stricken out all the money provided for the financing of grants-in-aid to cities, States, and other subdivisions, in connection with the administration of the Stream Pollution Act. The committee has entirely eliminated the money which is to be used for grants to States, and it has also eliminated all the administrative expenses of the Public Works Administration to administer the act, although the administration had $75,000 last year and is proceeding in a very preliminary way with the administration of the act.

The Stream Pollution Act was passed last year. I think it was sponsored jointly by the then Senator from Kentucky, now the Vice President, and myself, and I think it was finally passed after approximately 10 years' effort, or 20 years' effort. I do not recall how long it may have been. In any event, it was finally passed by Congress and simply provides for Federal cooperation. There are loans authorized, but no grants except for this one purpose. The pollution of our rivers and our harbors in all parts of the country has steadily increased. Not only has there been a substantial and steady increase in sewage in the rivers but there has been a steady increase in industrial waste which, throughout all the industrial sections of the country, is threatening to make the water practically undrinkable and is interfering seriously with the development of all water projects. It is also interfering seriously with the health of the people.

The committee struck this provision out on the ground that it was a new program. The only thing in the committee's report with relation to it is a statement to the effect that the committee is of the opinion that the work can readily be postponed without serious consequences.

The amount of money involved is small and it is not a case in which the work can be postponed. It is not like starting on a new project to improve something which we have had for a long time. It involves the whole field of water pollution, as to which conditions are becoming constantly worse. We are much worse off than we were 5 years ago. Unless we begin this work promptly, the rivers and harbors throughout the Nation will steadily deteriorate. The entire elimi-

nation of these two provisions will postpone the whole program for a year. The amount involved is really for preliminary work.

In one sense it is not a State-aid program, because the Federal Government itself is made a partner under the terms of the law, and properly so. The Federal Government has a direct interest in interstate streams, and without Federal cooperation it is almost impossible to secure the necessary result.

Take, for instance, the city of Cincinnati, which is located in the southwest corner of the State of Ohio. All the sewage of the city flows into the States of Indiana and Kentucky. Naturally, there is no particular incentive on our part to stop the pollution in other States. On the other hand, the water of the Ohio River at Cincinnati is completely polluted by the industrial waste put into it higher up, in West Virginia and in Kentucky. So it is a matter in which the Federal Government has an interest, and in which it was properly made a partner. It is receiving the full cooperation of the States. There are various interstate compacts. There are 10 States, from Virginia to Illinois, which have entered into a compact and are taking joint action in connection with the project, but they cannot accomplish the desired result without the help of the Federal Government. Last year the Congress thoroughly approved of the program by the passage of the bill. I feel, therefore, that there is no reason to delay the program.

I should be perfectly willing to have the final amount settled in conference, but I think the committee should at least be willing to restore some part of the appropriation. I do not think we should stop the work started in the administration of the program under the Public Works Agency. I do not think we should completely turn down the proposal for the assistance of States and localities in working out the plans necessary for a comprehensive survey, because it does not do any good to operate in only one State or one city; there must be a complete program. The Federal Government serves a very useful purpose by being a partner and proceeding with the work.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. FERGUSON. The Senator from Michigan knows the importance of this particular item, because of his knowledge of the waters of the Great Lakes. I wonder whether the Senator from Ohio would feel it would be satisfactory if the Senate would agree to take to conference an appropriation of $200,000?

Mr. TAFT. I suggest that. If the committee would be willing to take $200,000 on the first item and one-half on the other, and let the matter be worked out in conference, I would be agreeable.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DOUGLAS. I should like to inquire of the Senator from Ohio if the appropriation which he seeks would serve to construct facilities to prevent pollution of water, or if the appropriation which he is requesting would be simply to aid in the preparation of additional plans.

Mr. TAFT. The first item is under 8 (c) of the Water Pollution Control Act. The total sum authorized in that bill was $1,000,000. The budget reduced it to $500,000, and the House reduced that amount to $400,000.

Mr. DOUGLAS. Is it for the preparation of plans?

Mr. TAFT. That is all. It is for grants to States, municipalities, or interstate agencies to aid in financing the cost of action preliminary to the construction of projects for water pollution control, including architectural and economic investigations, studies, surveys, designs, the drawing of plans and specifications, and other actions preliminary to the starting of the entire program.

Mr. DOUGLAS. Was the Senator from Ohio in the Chamber earlier in the afternoon when the Senator from Michigan made a very eloquent attack upon the spending of additional sums of money for the preparation of plans? I listened to him with a great deal of interest and approval, and I am somewhat surprised that that Senator from Ohio now proposes an additional appropriation of $400,000 for further plans.

Mr. TAFT. It is not a WPA or relief proposition or a make-work program. It is a proposal to get an over-all plan started for the elimination of stream pollution throughout the United States. The Federal Government has just as much interest in it as have the States. The Federal Government comes in as a full partner. The streams which are involved are interstate streams, in which the Federal Government is as much interested as are the States and cities themselves. Therefore it seems to me, Congress having approved the entire policy, that we should not now suddenly undertake, through failure to appropriate, to reverse a policy established at the last session of Congress. Whatever is reasonable is satisfactory to me. I suggest that half the amount might be considered, and the exact amount worked out in conference. That would be entirely agreeable to me if it is agreeable to the chairman of the committee.

Mr. DOUGLAS. Is it not true that the Seventy-ninth Congress provided for cooperative action between the Federal Government and the localities in the preparation of plans to guard against stream pollution?

Mr. TAFT. The Eightieth Congress.

Mr. DOUGLAS. Was there not an act in the Seventy-ninth Congress?

Mr. TAFT. No. We tried to get it through, and my recollection is we got it through the Senate, but it was held up in the House, in the Seventy-ninth Congress and also in the Seventy-eighth.

Mr. BRICKER. Mr. President, I wish to emphasize what has been said by my colleague in regard to the necessity of beginning the plans for prevention of stream pollution. It has been a serious problem in our State, as the President of the Senate well knows. We started the movement between Kentucky, Ohio, Pennsylvania, and Illinois, some 10 or 15 years ago, which resulted finally in an interstate compact, which Virginia joined last year, I believe, at the urgent insistence of the two Senators from Virginia.

The situation is more serious than most people realize. In the city of Cincinnati, the home city of my colleague, at the present time three-quarters of every gallon of water that goes through the water system has been previously through sewerage systems in cities to the north and to the east of Cincinnati in the Ohio River Valley. If it were not for the neutralizing acid waste from the industrial firms in the great industrial centers of Pittsburgh, Youngstown, Wheeling, and other cities, we would be facing a very serious epidemic situation every year along the Ohio River.

In years gone by I have participated in the contest involving the city of Chicago, the home of the Senator from Illinois who has just made his comments on this matter. They were dumping into the Illinois River, through the drainage canal, millions of gallons of sewage every hour of every day of the year.

A serious situation is being created on the streams of our country, and the local communities seem unwilling, or may be incapable, of solving the problem in the interest of public health and welfare.

It was even necessary to take the city of Chicago to the Supreme Court at least twice in contempt proceedings in order to get them to comply with the mandate of the court fixing the amount of water that could be drained from the Great Lakes to wash out the sewage from the city of Chicago.

The States have been unwilling or unable to cope with this situation, and a movement has been started, through an interstate compact in the Ohio River Valley, which promises much for the health and welfare of the communities.

I join with my colleague in urging that the program be continued.

Mr. DOUGLAS. Mr. President, the junior Senator from Ohio has made certain references to the city from which I come. Is the Senator from Ohio aware of the fact that the Sanitary District of Chicago is floating bonds of several hundred million dollars, and that now it has virtually eliminated the dumping of sewage, that we have gone to great expense to deal with this situation, as we should have done, and that therefore the Senator from Ohio is bringing up something that is 20 years old, and which has been virtually rectified in the period since that to which he referred?

Mr. BRICKER. The situation has not been completely rectified, and it was necessary for the lake States to take the city of Chicago to the Supreme Court of the United States to enforce a mandate of the court. The city was cited for contempt of the manadate of the Supreme Court. The lake States have engaged in joint efforts to compel local communities to do the things which are necessary to be done in the interest of public health, but which they are unable to do without assistance.

Mr. DOUGLAS. Is it not a fact that the city of Chicago has complied fully with the mandate of the Supreme Court? I do not like these left-handed aspersions on my city.

Mr. BRICKER. It is neither left-handed nor an aspersion. It is a statement of fact. If the Senator has lived there as long as I think he has, he ought to remember well that the city was cited three times for contempt by the Supreme Court. I tried one of the cases myself, and we got an order out of the Supreme Court holding the city guilty of contempt.

Mr. DOUGLAS. I am sure the Senator from Ohio, to be perfectly honest—and he is perfectly honest—should complete his statement by saying that the city of Chicago has fully complied with the decisions of the Supreme Court, and I want the RECORD to show that.

Mr. BRICKER. After two or three citations they have complied.

Mr. TAFT. Mr. President, this bill does not provide for the Federal Government to put up any money in large sums to build sewage-disposal plants. It merely provides that it shall help make the plans. It then provides that it shall make loans of small amounts. The city of Cincinnati is spending $17,000,000 on its sewage-disposal projects, and the plans will be prepared by that city, but in order that the activities may be coordinated, and in order that remedial steps, particularly where there is uncontrolled industrial waste, may be taken by the smaller communities, which are located throughout all the Ohio River sections, it is absolutely essential there should be some Federal participation.

The distinguished Vice President, who now presides over the Senate, and I were the authors of the law, and I am certain he will bear me out in my statements.

Mr. O'MAHONEY. Mr. President, I have listened with a great deal of interest to everything the Senator from Ohio has said, and he has made a most persuasive argument. The Congress of the United States has authorized this expenditure, and it ought to be made.

Mr. President, I made that same argument yesterday and today over and over again. The Senator from Ohio and his colleagues upon the other side marshalled together in a solid phalanx to say "No, we want to economize."

Appropriation after appropriation has been recommended by the Committee on Appropriations to enable the Government agencies to carry out obligations imposed upon them by law, and Senators rise on the other side of the aisle and say, "No; these obligations should not be carried out. We must economize. Are we not hurrying on to deficit spending? Why, then, should we spend another dollar that can now be saved?"

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Certainly I yield to the amiable leader of the budget cutters, the amiable, the able, the distinguished Senator from New Hampshire, who says, "Let us not engage in deficit spending. Let us forget the obligations which Congress has imposed by law upon the executive agencies, and let us cut off the appropriations so that we may make a record vote."

I yield, of course, and most gladly.

Mr. BRIDGES. I merely want to say to the Senator that he attributed the economy move to this side of the aisle, and I wish to take credit on this side of the aisle for calling for all the votes, but may I point out that we have had some very able help from the other side of the aisle.

Mr. O'MAHONEY. The Senator misunderstood me. I do not give the credit to the Senator from New Hampshire for economy. I say the Committee on Appropriations deserves the credit for economies, because I say to the Senator from New Hampshire that many of the votes which he cast here today and yesterday to reduce expenditures were not in the interest of economy and not in the interest of saving money for the taxpayers, but were in the interest only of postponing to some future date the obligations which the Government imposed by law.

Oh, no, I do not give the Senator from New Hampshire any credit at all for seeking to economize. The Senator from New Hampshire is making a record. He is calling for yea-and-nay votes. He is calling for them now so as to make a record and go before the people and say, "See how we have saved the money of the taxpayers," because he well knows that memories are short, and that next year or the year after, or perhaps in the closing months of this session, when we pass the deficiency appropriation bills, we will be putting in the very items which are now being cut out.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BRIDGES. Oh, Mr. President, I say the Senator from Ohio made a very persuasive argument. It is true that the law under which this appropriation was asked by the President of the United States in his budget message was the result of a bill introduced jointly by the present distinguished Vice President of the United States, who was then a Senator from Kentucky, and the Senator from Ohio [Mr. TAFT], the head of the policy committee of the Republican Party.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I will yield in a moment. The bill was introduced in order to meet a very serious problem of water pollution. There can be no doubt, as the Senator from Ohio [Mr. TAFT] has said, that the correction of water pollution by one municipality will do no good at all with respect to water pollution as it affects another city farther up the stream. The water pollution must be fought upon all the interstate streams of the United States. There is no question about that. It is an interstate problem.

I am merely pointing out, Mr. President, the inconsistency, and I am saying this in the hope that if I yield upon this matter, if I accede to the request and grant my acquiescence to an appropriation for $200,000 for this matter, in the remainder of the consideration of this bill both Senators from Ohio, the senior Senator and the junior Senator, and other Senators who are talking so eloquently in behalf of Federal spending for water pollution, may give a little credit to the Senator from Wyoming for the recommendations which he makes in the Senate on behalf of the Committee on Appropriations.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I now yield to the Senator from Vermont.

Mr. FLANDERS. A few moments ago, in the course of the remarks of the Senator from Wyoming, he made a remark which gave me a very great deal of concern. He used the phrase "in the closing month." There was an "s" on the end of that word; "In the closing months of this session." I should like to know if that is official.

Mr. O'MAHONEY. There is nothing official about anything I say, save when I speak for the Appropriations Committee on the independent offices appropriation bill, and then I officially speak in the interests of efficiency and economy and the discharge of public responsibilities.

Mr. FLANDERS. I thank the Senator from Wyoming.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Ohio.

Mr. TAFT. Mr. President, the Senator proposed to make a deal with me. Perhaps I could make a deal with him. I am willing to accept 45 percent of the budget figure on this item, and half the House figure. Is the Senator willing to make the same allowance on his side?

Mr. LANGER. Mr. President, I object to the distinguished Senators making any deals on the floor of the Senate. [Laughter.]

Mr. TAFT. I object to a complete elimination of the project. I think it is a very different and distinct matter when the committee entirely eliminates a project which has already been started. I will never vote to cut any of the appropriations presented by the Senator, on behalf of the Appropriations Committee, below half of the House figure. Will the Senator accept my suggestion?

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Florida.

Mr. PEPPER. I listened to the remarks of the able Senator from Wyoming and to the rather severe remarks he made. Does the Senator not recall that some old Senator wise in the ways of the world said sometime ago that there are times when a man has to rise above principle?

Mr. O'MAHONEY. I could tell a funny story about that which I heard from the tongue of the distinguished Senator from Vermont who, when he was visiting the city of Philadelphia during a presidential campaign not so long ago was riding in a taxicab from the railroad station to the hotel, and, in accordance with custom he, if I understood the story correctly, spoke to the taxicab driver to inquire of him what was going to happen in the presidential election. The taxicab driver said, "Why, Roose-

velt will carry Philadelphia." "How can that be?" asked the Senator from Vermont. "Is not Philadelphia a Republican city?" "Yes," said the taxicab driver, "and I am a Republican. But there comes a time when we have got to do our duty and vote right and forget principle." [Laughter.]

The VICE PRESIDENT. May the Chair inquire what is before the Senate at the moment?

Mr. TAFT. I asked the Senator from Wyoming whether he would be willing to restore the amount to about perhaps half the figure and take it to conference.

Mr. O'MAHONEY. If I were to follow the pattern which has been set for me by the distinguished Senator from New Hampshire [Mr. BRIDGES] I would say, "Let us have the yeas and nays from this question. Let us put it to the test. Let us have the vote." I am not going to do that, Mr. President. I say that as the representative of the Appropriations Committee upon the floor I must point out to the Senate that here is an expenditure which is altogether new. Because it was a new expenditure, because we have not fought with stream pollution throughout the history of the Government on the Federal front, the committee said, "We will let that appropriation go to the next Congress, or into the future." I suggest that the Senator from Ohio offer his amendment and let the amendment be presented to the Senate. The amendment before the Senate, of course, is the committee amendment which strikes out the whole item.

Mr. TAFT. Mr. President, in the committee amendment on page 34, line 17, I offer an amendment to strike out "$400,000' and to insert "$200,000"; and on page 35, line 2, to strike out "$100,000" and insert "$50,000."

Mr. O'MAHONEY. And to restore the other language.

Mr. TAFT. The amendment would have to be, I take it, first to amend and then to reject the committee amendment.

Mr. O'MAHONEY. No. I will say that the committee amendment strikes out all the language from line 12, on page 4, to line 2, on page 35. The Senator is asking for the rejection of the committee amendment with the understanding that he will offer an amendment including the House language, and substituting $200,000 for $400,000, in line 17, on page 34, and substituting $50,000 for $100,000 in line 2 on page 35.

Mr. TAFT. Yes. I thought perhaps the better way would be to offer the amendment to strike out $400,000 and insert $200,000 and in the next paragraph to strike out $100,000 and insert $50,000, and then to offer an amendment to reject the committee amendment. However, that is immaterial.

Mr. O'MAHONEY. That is immaterial.

The VICE PRESIDENT. The suggestion of the Senator from Ohio would be the most direct way to reach it.

Mr. TAFT. Yes. I offer the amendment to the committee amendment, in line 17, on page 34, to strike out "$400,000" and insert "$200,000"; and on page 35, line 2, to strike out "$100,000" and insert "$500,000."

The VICE PRESIDENT. The question is on the amendment of the Senator from Ohio to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on the committee amendment, as amended.

The amendment, as amended, was rejected.

Mr. TAFT. I thank the distinguished Senator from Wyoming.

Mr. O'MAHONEY. Does the Senator from Ohio intend to offer the amendment which he offered in the committee for the construction of a research laboratory at Cincinnati?

Mr. TAFT. No; I shall not offer that amendment at this time. The authorization bill is so confused that I think the amendment involves questions which have to wait, I think, until next year.

The VICE PRESIDENT. The next committee amendment will be stated.

The next amendment was, under the heading "General Accounting Office," on page 35, line 5, after the word "elsewhere", to strike out "$31,743,000" and insert "$34,169,000."

Mr. BRIDGES. Mr. President, this is an amendment dealing with the General Accounting Office. The amendment increases the appropriation from $31,743,000 to $34,169,000. It provides for an increase in personnel over the House figure of 800 individuals. I think it speaks for itself. The General Accounting Office is a very important office. Generally speaking it does a good job. There is no need of increasing the personnel over the House figure by 800 individuals. I hope the Senate amendment will be rejected, and that we will return to the House figure.

Mr. O'MAHONEY. Mr. President, how soon I am rewarded for my acquiescence. Here is an amendment which has been put in the bill by the committee at the request of the General Accounting Office, which is, in fact, an arm of the Congress of the United States, which is equipped to conduct independent investigations of the obligations which the Government of the United States must meet.

This is an office which saves the United States Treasury millions of dollars every year. When the Comptroller General appeared before our committee he pointed out that it was the first time in his official career as head of the General Accounting Office that he had appeared before any committee of Congress to ask for an increased appropriation. His testimony before us was that the reduction made by the House would seriously cripple the work of the General Accounting Office.

I sincerely urge the Senator from New Hampshire not to insist upon a vote on this amendment. The committee was unanimous with respect to this item, as it was with respect to the succeeding amendment. This is an expenditure definitely and clearly in the interest of economy, because it enables the General Accounting Office to meet the task which is thrust upon it by the great obligations of expenditure which this Government must meet. I hope the Senator from New Hampshire will withdraw his resistance to this amendment.

Mr. AIKEN. Mr. President, I hope that this appropriation for the General Accounting Office may be approved as reported by the committee. Under Public Law 601, the Reorganization Act, the Congress put seven duties upon the General Accounting Office. This additional appropriation, as I understand—or a part of it, at least—is to enable the General Accounting Office to carry out those duties under section 206 of the act of August 2, 1946, which it is supposed to do in accordance with the directions of the Congress. I think the General Accounting Office has been very zealous in doing its best to see that the intent of the Congress is carried out in the matter of expenditure by the executive agencies. I do not think it can be too zealous in that respect. I hope that the full appropriation recommended by the committee will be approved.

Mr. O'MAHONEY. Mr. President, let me say that this committee amendment is under the budget by $1,101,000.

Mr. WILLIAMS. Mr. President, there is no single governmental agency or department for which I have greater respect than I have for the General Accounting Office. I think it has done a wonderful job. I recognize it as an arm of Congress, and I feel that we should give it the proper amount of money.

On the other hand, I am reminded of the fact that 62 Members of this body have signed a petition calling on the President of the United States to cut appropriations. We have asked that they be cut a minimum of 5 percent. In drafting that resolution we did not exempt a single one of the Federal-aid programs, with many of which we were sympathetic. We did not except the General Accounting Office. We did not except anything. We merely called upon the President of the United States to cut the over-all budget 5 percent.

I say that if we mean what we say, if we want the budget cut 5 percent, then we should vote accordingly. If we do not want it cut 5 percent, or if we want to make exceptions, let us merely vote for the appropriations and do away with the resolution. I do not see any point in standing before the people and saying that we want to cut the budget 5 percent if we do not want to answer these roll calls.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. O'MAHONEY. The Senator is aware, is he not, that this bill represents a reduction of 5.2 percent below the budget? In other words, we have already made the cut.

Mr. WILLIAMS. I recognize that, but I point out the fact that that same excuse has been used in connection with the other votes. The resolution to which I referred was place in the RECORD on June 28, 6 or 7 months after the budget was figured. We did not call on the President to cut 5 percent below the budget. We asked him to cut 5 percent below what we as Members of Congress have the nerve to stand up and vote for.

I do not believe that we should be unnecessarily hard on the General Accounting Office. Instead of calling for the defeat of the committee amendment, I ask the Senator from New Hampshire if he will accept a modification calling for a flat 5 percent reduction in the General Accounting Office budget, which would be in line with what 62 Members of the Congress have said they want to do. I wonder if the Senator from New Hampshire would be willing to go along with a flat 5 percent cut below the $34,169,000, which would be placing upon the General Accounting Office exactly what we are calling upon the President to place upon not only the General Accounting Office, but all other departments of the Government.

Mr. BRIDGES. Mr. President, I am willing to go along with the suggestion of the Senator from Delaware. I think that would allow the General Accounting Office a modest increase, along the line of what the Senator from Vermont and the Senator frm Delaware have suggested. That would arrive at a figure of $32,460,550, rather than an item of $31,743,000, as in the House figure. Is that correct?

Mr. WILLIAMS. That is correct.

Mr. President, I offer an amendment to the committee amendment on page 35, line 5, to strike out the figure in the committee amendment, "$34,169,000", and insert the figure "$32,460,550", which would represent a 5-percent cut in the appropriation recommended by the committee. That would mean that we would be voting to carry out exactly what we are calling upon the President of the United States to do, because we did not except the General Accounting Office at that time, regardless of how much respect we have for it.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware will be stated.

The CHIEF CLERK. On page 35, line 5, in the committee amendment, it is proposed to strike out "$34,169,000" and insert "$32,460,550."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS] to the committee amendment on page 35, line 5.

Mr. HOLLAND. Mr. President, I think the views of the junior Senator from Florida on the various proposed economy amendments will stand up in comparison with those of almost any other Senator. I am perfectly willing to have them compared with the views of any other economy-minded Senator. In connection with this matter, I think we would be practicing false economy if we were to reduce the amount recommended by the committee.

This year I had the experience of serving as a member of the Committee on Agriculture and Forestry of the Senate. That committee was engaged in an earnest effort to find out just what the financial situation of the Commodity Credit Corporation funds, vital as they are to agriculture in this Nation, might be.

We examined representatives of the General Accounting Office. I am sure that the Senator from Vermont [Mr. AIKEN], the senior Senator from Minnesota [Mr. THYE], and other Senators on the other side of the aisle who, like myself, are members of that particular committee, will remember this instance.

This fund amounts to more than $4,000,000,000 a year, as I recall. Notwithstanding the fact that it is so vital to agriculture, and to the Nation as a whole, and notwithstanding the fact that it is a fund with respect to which we ought to be able to get quick and certain information as to the details of its handling, notwithstanding the fact that there were no charges of fraud and no questions of that nature to disturb the committee, but only a desire to find out what were the actual facts with reference to the handling of that fund, we were amazed to find that the General Accounting Office was 3 years behind in the auditing of that fund, and that it was working just as hard as it could with the personnel it had which could be assigned to that particular objective. Notwithstanding that fact, as I recall, they were then working on the year 1945.

We were unable to get up to date information as to the handling of that important fund. It was necessary for the committee to have such information, if it could get it, in order that we might intelligently act upon legislation then pending before us with reference to certain changes which were suggested in the functioning of the Commodity Credit Corporation.

I note that since I began these remarks the junior Senator from Iowa [Mr. GILLETTE] has entered the chamber. He likewise serves on the Committee on Agriculture and Forestry.

When an arm of the Government which was created to inform and advise the Congress on the technical subject of how the funds of the United States are being handled by the executive agencies of government reports to us, as it did on that occasion, that it is simply unable to cope with a problem of that magnitude with the personnel which it has, and very earnestly implores members of the Appropriations Committee to assist in making available a larger staff so that that heavy problem can be handled adequately, I say to the Senate that it is poor economy to turn a deaf ear to a request of that kind coming from an agency which, I repeat, is created out of the wisdom of Congress and because of a sincere effort of Congress to be well advised as to how the finances of the people of the United States are being handled.

So I strongly hope the committee's recommendation on this matter, already reflecting, as it does, a reduction of more than 5 percent below the amount of the budget figures, will not be turned down, but, to the contrary, will be agreed to, so that it may be said that the Senate has, at least in large part, recognized the justice of the request for additional personnel for the arm of the Government created by the Congress to serve and advise us in this important field.

Mr. O'MAHONEY. Mr. President, it is quite evident that we cannot reach a decision on this matter without having a quorum call. I hesitate to suggest the absence of a quorum at this time, because the Appropriations Committee was summoned to meet at 5 o'clock to consider the continuing resolution which now is necessary and also to discuss the ECA bill. Inasmuch as the majority leader announced earlier in the day that at 6 o'clock, which is only half an hour from now, he would move to have a recess taken until 8 o'clock this evening, I ask the distinguished Senator from Pennsylvania if he thinks it would be agreeable to take a recess now, half an hour earlier.

The VICE PRESIDENT. The Chair is reminded that an order was entered that the Senate take a recess at 6:30. That was ordered by unanimous consent.

Mr. GEORGE. Mr. President, let me suggest to the Senator from Wyoming that we postpone the consideration of this amendment, by unanimous consent, and proceed to consider other provisions of the bill.

Mr. MYERS. Mr. President, I may say to the Senator from Wyoming that I have consulted with the majority leader, and he has no objection to the Senator's suggestion.

The VICE PRESIDENT. Of course, that could be done only by unanimous consent.

Mr. O'MAHONEY. Mr. President, inasmuch as the order has been entered, perhaps the suggestion the Senator from Georgia has made is the proper one to be followed. Obviously I hesitate to suggest the absence of a quorum at this time, for that would take the Members of the Appropriations Committee away from the most important meeting they are having now.

The VICE PRESIDENT. Without objection, the pending amendment will be passed over temporarily; and the clerk will state the next committee amendment.

Mr. WILEY. Mr. President, before that is done, I should like to ask the Senator to yield for a question.

Mr. O'MAHONEY. I am very happy to do so.

Mr. WILEY. I have been very much intrigued with the way the distinguished Senator from Wyoming has fought for the things he thinks are proper in this bill. I am particularly interested in knowing whether among the duties of the General Accounting Office is the duty—if it is not one of its duties, it seems to me the General Accounting Office should have the duty imposed upon it by law—not simply of rendering an accounting, not simply of examining the pro and cons in regard to the expenditure of money, but the function or duty of making recommendations in regard to how the Government can operate more efficiently. Should not that be one of its duties?

Mr. O'MAHONEY. Mr. President, a little later in the course of the consideration of this bill it is my intention to call attention to a report which has been filed within the month by the General Accounting Office with respect to the administration of the Maritime Commission. I have read that report. I have found in it what seems to me to be very pertinent and effective suggestions for the improvement of the administration of the operations of the Maritime Commission. That matter involves legislation. So that does precisely what the

Senator from Wisconsin has inquired about.

I have another letter, to which I shall call the attention of the Senate at the appropriate time, with respect to the Veterans' Administration appropriation for the national service life insurance fund. There the General Accounting Office has pointed out to us that an item in the budget, which has been approved by the Appropriations Committee, of $202,000,000 to pay interest upon the reserve fund out of which the insurance losses are paid, is unnecessary at this time. Although required by law, in the opinion of the General Accounting Office the law should be amended. That matter is under consideration, I think, or will be presently by the appropriate legislative committee. Since the appropriation does not seem to be essential, with the consent of members of the Appropriations Committee whom I have consulted, I am going to ask that $202,000,000 be cut from the appropriation.

Those are two evidences, within the month, of the valuable work which is done by the General Accounting Office.

Mr. WILEY. Mr. President, will the Senator yield further?

Mr. O'MAHONEY. I yield.

Mr. WILEY. Those are two evidences; but there seems to be a general impression, as I think the Senator from Wyoming will agree, that there is a great deal of waste of effort and considerable duplication of effort in many of the departments and agencies of the Government.

I had in mind that various large industries or large industrial concerns employ what are called efficiency experts, men whose job it is, when the income of the particular industry or concern is decreasing and when it cannot balance its budget, to determine where corners can be cut and where efficiency can be injected into the picture.

In the almost 11 years I have served in the Senate, I have not known of such suggestions by any agency of the Government, although the Senator from Wyoming has just given us two instances of that sort.

Mr. O'MAHONEY. Let me give another instance. When the legislative reorganization bill was passed by the Seventy-ninth Congress, it contained a section—section 206, if my memory serves me correctly—providing that it should be the duty of the General Accounting Office to conduct current expenditure analyses in the executive branch of Government. I felt that that was a perfectly splendid recommendation. I was sorry that when Mr. Warren, the Comptroller General, appeared before the joint meeting of the Appropriation Committees at the beginning of the Eightieth Congress, and suggested his willingness to assume this duty, it was deemed not desirable to undertake the work at that time. In any event, it was not done.

But in the consideration of this bill, I offered to the committee an amendment providing for an appropriation of $800,000. It will be the next amendment but one to be considered. That amendment would authorize the General Accounting Office to conduct these current expenditure analyses. I offered the amendment in the belief that we could get much better economy and a much more intelligent view of what is the expenditure situation in the executive departments of the Government by not only clothing the General Accounting Office with the power—as we have done in the Legislative Reorganization Act—but also equipping it with the personnel to enable it to do that work. I trust that when that item comes before the Senate, as it will in a few minutes, it will have the support of the Senator from Wisconsin.

Mr. WILEY. Mr. President, will the Senator yield further?

Mr. O'MAHONEY. I yield.

Mr. WILEY. I have nothing but respect for the Senator's judgment, and I think he speaks very well on this subject.

Of course there is a vast difference between an accountant's job and the job of one who can take the facts as he sees them and can observe the personnel on the job and can see where efficiency can be injected into the picture. Probably I have not made the differentiation sufficiently clear.

Mr. O'MAHONEY. The Senator from Wisconsin has made it very clear, and that was precisely what was in my mind when I discussed the matter with Mr. Warren and, I may say, with the Senator from Michigan [Mr. FERGUSON], who is in complete accord with this amendment. So we wrote into the amendment this proviso:

Provided, That the Comptroller General of the United States is authorized to employ all personnel under this appropriation without regard to the civil-service laws, rules, and regulations.

The purpose was to enable the Comptroller General to secure employees who could sit down with the heads of the agencies. The purpose was to give him the authority to employ, not bookkeepers or accountants alone, but persons who understood bookkeeping and accounting and all of that, but who also had a much broader view of the responsibilities of Government and of the problems of management in a big enterprise.

Mr. WILEY. Mr. President, if the Senator will yield further, there has been a rule in Government, as the Senator well knows, by which the salaries in certain agencies have gone up in accordance with the number of personnel employed. What we need is an efficiency expect to go into an agency to see whether employees are falling over one another, or whether there are employees who do not seem to have work to perform. We need, of course a checking of accounts to see that money is properly disbursed and proper dollar value is received, but, if we are really running into a period when there must be a curtailment of overhead, the curtailment should be brought about in the places where the taxpayer's dollar is not earning a dollar's worth in return. I cannot speak from my own experience, but I have had brought to my attention a number of instances in which businessmen have returned from bureaus and departments and told of employees sitting around, smoking cigarettes, and doing nothing. I personally knew of one instance concerning a girl who resigned some years ago after sitting around for 5 months, during which time one letter was dictated to her. Her conscience would not permit her to continue in the position. Those are things I have in mind. I do not know whether they are generally prevalent or not, but I think the Congress owes an obligation, with the increasing public debt, to see that the General Accounting Office understands that its function—if it is its function—is not simply to check accounts, but to employ efficiency personnel to see whether the Government is operating efficiently.

RECESS

Mr. O'MAHONEY. That is what would be done by the amendment.

Mr. President, while I have been standing here, engaging in this colloquy with the Senator from Wisconsin and others, numerous Senators have come to me, indicating they are going off the floor to have a little supper, dinner, or whatever they may want at this time.

Mr. WILEY. Who is buying it?

Mr. O'MAHONEY. Apparently, themselves.

Mr. President, there seems to be no profit in continuing the session at the moment, and therefore I ask unanimous consent that the Senate may stand in recess until 8 o'clock, as was originally intended.

Mr. BRIDGES. Does the Senator mean, until the time we were originally supposed to come back?

Mr. O'MAHONEY. That is correct—until the time set, 8 o'clock.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Thereupon (at 5 o'clock and 44 minutes p. m.), the Senate took a recess until 8 o'clock p. m.

EVENING SESSION

On the expiration of the recess, the Senate reassembled, and was called to order by the Vice President.

Mr. McKELLAR. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Morse
Anderson	Hoey	Mundt
Baldwin	Holland	Murray
Brewster	Humphrey	Myers
Bricker	Hunt	Neely
Bridges	Ives	O'Conor
Butler	Jenner	O'Mahoney
Byrd	Johnson, Colo.	Pepper
Cain	Johnson, Tex.	Robertson
Capehart	Johnston, S. C.	Russell
Chapman	Kefauver	Saltonstall
Connally	Kem	Schoeppel
Cordon	Kerr	Smith, Maine
Donnell	Kilgore	Sparkman
Douglas	Knowland	Stennis
Downey	Langer	Taft
Dulles	Lodge	Taylor
Ecton	Long	Thomas, Okla.
Ellender	Lucas	Thomas, Utah
Ferguson	McCarran	Thye
Flanders	McCarthy	Tobey
Fulbright	McClellan	Vandenberg
George	McKellar	Watkins
Graham	McMahon	Wherry
Green	Magnuson	Wiley
Gurney	Malone	Williams
Hayden	Martin	Withers
Hendrickson	Maybank	Young
Hickenlooper	Millikin	

The VICE PRESIDENT. A quorum is present. House bill 4177, the independ-

ent offices appropriation bill, is before the Senate.

CONTINUATION OF CERTAIN APPROPRIATIONS

Mr. McKELLAR. Mr. President, will the Senator from Wyoming yield to me?

Mr. O'MAHONEY. I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside so that I may report a joint resolution from the Appropriations Committee and ask for its immediate consideration.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from Tennessee temporarily to lay aside the pending appriation bill? The Chair hears none, and it is so ordered.

Mr. McKELLAR. From the Committee on Appropriations, I report favorably with an amendment the joint resolution (H. J. Res. 329) amending an act making temporary appropriations for the fiscal year 1950, and for other purposes, and I submit a report (No. 804) thereon.

The House has passed this joint resolution continuing the pay of certain Government employees for the next 31 days, to August 31, 1949. The Senate committee has placed in the joint resolution an amendment to strike out "August 31, 1949," and insert in lieu thereof "August 15, 1949." I now ask unanimous consent for the present consideration of the joint resolution, so it may be acted upon tonight, because it will have to go to conference.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 329) amending an act making temporary appropriations for the fiscal year 1950, and for other purposes, which had been reported from the Committee on Appropriations with an amendment, on page 1, line 7, to strike out "August 31, 1949" and insert "August 15, 1949."

The VICE PRESIDENT. The question is on the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution (H. J. Res. 329) was read the third time and passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist upon its amendment, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. HAYDEN, Mr. THOMAS of Oklahoma, Mr. BRIDGES, and Mr. GURNEY conferees on the part of the Senate.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the executive office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The question is on the amendment of the Senator from Delaware [Mr. WILLIAMS] to the committee amendment on page 35, line 5.

Mr. O'MAHONEY. Mr. President, the committee recommended that the appropriation for salaries in the General Accounting Office should be raised from $31,743,000, as passed by the House, to $34,169,000. The argument was made in support of this increase that the General Accounting Office is an arm of the Congress, that its function is to audit the Government accounts, and make recommendations to the Congress. The committee felt that the increase should be granted.

Before the recess I pointed out that the Comptroller General, Mr. Lindsay Warren, appeared before the committee and strongly urged a larger increase than the committee allowed. He pointed out that this was the first time in his experience as Comptroller General that he had appeared before an Appropriations Committee of the Congress asking for an increase in appropriation. The committee was of the opinion that the increase in the appropriation would be money well spent, properly to equip the General Accounting Office to supervise and survey the various expenditures of Government.

Prior to the recess I pointed out that there are before the Senate now, to be presented later in detail, reports and recommendations from the General Accounting Office which will unquestionably save money if they are followed out. For example, there is a letter with respect to the national service life insurance fund ralsing a legislative question with respect to the appropriation for interest upon the reserve fund. I was so impressed with that letter that it will be my purpose when the item is reached in the consideration of the bill to ask the Senate to follow the recommendation of the Comptroller General. If that is done, it will mean a saving of more than $202,000,000.

There is also before the committee a report from the General Accounting Office with respect to the operations of the Maritime Commission. This report, which will be filed and made a part of the RECORD, urges a change of policy with respect to the method by which the differential subsidy under the maritime law is fixed. The Comptroller General and the General Accounting Office have recommended that provision should be made for public hearings when the evidence is taken upon which this differential subsidy is fixed.

The point I make, of course, is that this is evidence of the constructive and economical work performed by the General Accounting Office.

It was testified before the committee that from 1940 down to the time just before our hearings began this year, the General Accounting Office had collected or caused to be collected and paid into the Treasury of the United States more than $635,000,000, almost two and one-half times the total cost of the operation of the Office. The collection figure for the last fiscal year was approximately $107,000,000. For the current fiscal year to April 30 the figure is more than $76,000,000. So on the record it seems to be perfectly clear that this is a completely justifiable increase of appropriations. Mr. President, that is the recommendation of the committee.

Before the recess the Senator from Delaware [Mr. WILLIAMS] made a motion to amend the committee amendment by reducing the sum to $32,460,556, which I understand was a computation he had made by deducting 5 percent from the budget estimate. My feeling is that the committee amendment should be adopted.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Delaware [Mr. WILLIAMS] to the committee amendment on page 35, line 5.

Mr. WILLIAMS. Mr. President, I should like to say a few words in reply to the Senator from Wyoming before the vote is taken on the amendment. First, I want to repeat what I said before the recess was taken this evening, namely, that there is not an agency or office in government for which I have a higher respect than the General Accounting Office. On the other hand, that does not mean that we cannot cut appropriations for the General Accounting Office. If we are going to take the attitude that we will cut appropriations 5 percent for all the executive branches of the Government but under no circumstances can we make any cuts in any agency or office that affects the Congress of the United States, then we shall not get very far in the way of reducing appropriations. If we are to make effective cuts in appropriations we should make the cuts apply to all agencies, even though they may affect ourselves.

I agree with the Senator from Wyoming that the recommendations of the Comptroller General are very important to the Congress and would result in saving the Government a great deal of money if the Congress would pay attention to them. But I call the Senator's attention to the fact that the recommendations to which he refers regarding the Maritime Commission, which were included in the letter received from the Comptroller General—and I am glad to note that some attention is being paid to it—were contained in a report submitted to Congress 4 or 5 years ago. I have in my hand now a report on the Maritime Commission, submitted by the Comptroller General and dated June 30, 1945. I may say that I secured this report from the Archives through the Secretary of the Senate. It has never been printed as an official document. It has never been used by the committee, and the Congress paid no attention whatever to it. So I believe that our great concern should be not because the General Accounting Office is not getting more reports to Congress, but because of the inaction of Congress with respect to the reports when they do arrive.

This report calls attention to numerous cases of fraud, overpayments, and charges of other kinds, which may or may not have been turned over to the Department of Justice. I doubt if any other Member of Congress knows. The report was not even recognized to the extent of having it printed. I wish to read a couple of statements from page 5. The report says:

The Commission—

That is, the Maritime Commission—

failed to make reports of cases involving fraud or irregularities to the General Accounting Office in accordance with the requirements of General Accounting Office Regulation No. 50, as amended.

The files of the Maritime Commission in February 1947, disclosed 171 cases of alleged fraud.

The cases are itemized. We in Congress have paid no attention whatsoever to the report. I think instead of talking about increasing the appropriation for the General Accounting Office, which has done a good job with the funds we have been allowing them, we had better pay a little more attention to the reports when they get here, and see that they are put to some use.

I have another report before me which Congress never thought enough of to have printed. This is an official document——

Mr. BRIDGES. How many cases of fraud did the Senator say were cited in the report to which he referred?

Mr. WILLIAMS. I read from the report:

The files of the Maritime Commission in February 1947, disclosed 171 cases of alleged fraud.

I am not saying that some of these cases might not have been clarified. I do not know; but if anyone else knows, I should be glad to be informed.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. AIKEN. The reports of the General Accounting Office showing fraud, collusion, wastefulness, and inefficiency in the Maritime Commission date back to 1942, if not earlier than that. So far as I know, no one in the Commission has ever been called to account for any of those things which the General Accounting Office said were done wrongfully, illegally, or wastefully.

Mr. WILLIAMS. I think that is correct. We have been letting these reports come up here, and have taken no action.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. TOBEY. One Member of this body who called them to account was the Senator from Vermont [GEORGE AIKEN]. He got very little support in the Senate when the scandals were shown up.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. FERGUSON. I wish to ask the Senator if he knows that the Committee on Expenditures in the Executive Departments, under the Senator from Vermont [Mr. AIKEN], last year went into the affairs of the Maritime Commission and made a report indicating extravagance, wastefulness, and so forth. Naturally the committee would not go into the criminal actions. They had all been investigated, and it is assumed that they were turned over to the Attorney General. But so far as the Senator from Michigan knows, there has been no check-up to ascertain whether there were prosecutions, or whether the money was ever recovered from the various people.

Mr. WILLIAMS. I wish to read another report which was sent down by the Comptroller General, with regard to the Maritime Commission. This report was submitted on March 31, 1948, and included the period ending June 30, 1947. Mr. Warren said:

There was a lack of adequate control over the expenditures of appropriated funds during the fiscal year 1947, which resulted in at least one instance of payments exceeding the amount appropriated for a specific purpose.

Congress has done nothing about it; yet here a violation of the law was cited to us.

Continuing to read from the report:

The accounting records for the fiscal years 1946 and 1947 have not been completely recorded or adjusted to the facts. On the whole, the accounting records were in even worse condition than in the prior years.

Surely there is nothing wrong with the job which has been done by the GAO on their available funds. They have done their job well without benefit of this proposed increase. We in Congress are the ones who have fallen down.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. O'MAHONEY. If I correctly understand the Senator from Delaware, he is arguing that because the General Accounting Office pointed out patent frauds in the administration of the Maritime Commission, the General Accounting Office now should suffer a penalty in the reduction of its appropriation. I desire to point out that largely as a result of the very reports to which the Senator has alluded, not only did the Senator from Vermont [Mr. AIKEN] bring the matter to the attention of the Senate upon the floor, but the President of the United States has appointed a new head of the Maritime Commission. He has placed General Fleming, who in the Federal Works Agency and in numerous other positions has demonstrated remarkable capacity as an efficient administrator, at the head of the Maritime Commission. I submit that this is no reason for penalizing the General Accounting Office or rejecting the recommendation of the Appropriations Committee.

Mr. WILLIAMS. I should like to ask the Senator from Wyoming what the President did with the man whom he removed from office because he was incompetent. Was he promoted or transferred to some other agency, or was he held responsible for these irregularities?

Mr. O'MAHONEY. I am sure I do not know about that. The man removed has not to my knowledge been given any other appointment.

Mr. WILLIAMS. I think that we should know. Merely appropriating extra money to the GAO will not clear up these corrupt agencies. That is our job.

I should like to read from another report which came from the Comptroller General, and which was never considered of sufficient importance to the Congress to be printed or receive any attention. I have said many times on the floor of the Senate that the corporations and executive agencies of the Government needed some attention by the Congress to see that they were living within the law. We should take some action when any irregularities are called to our attention.

The report on the Commodity Credit Corporation was mentioned by the Senator from Florida [Mr. HOLLAND] this evening. He pointed out that the General Accounting Office was 4 years behind in getting that audit report up here. I wish to point out that that report, according to the statement of the General Accounting Office, was prepared and ready for submission to Congress about the 31st of December 1946; but under the law the General Accounting Office was required to forward it to the Department of Agriculture for verification. It was held in the Department of Agriculture and never returned until sometime this year. The mere addition of extra men in the General Accounting Office will not correct this. What we need is a good housecleaning in the Departments who, according to these reports, are not keeping their records straight.

It is claimed in many of these reports by the GAO that it is not so much because of lack of auditors that they are not getting reports up here as it is lack of cooperation on the part of the executive branches in our Government. In the case of the Commodity Credit Corporation it was stated by Mr. Warren that the primary handicap in rendering the report sooner was lack of cooperation on the part of the Department of Agriculture. In that report we were told that the sum of $366,000,000 had not been accounted for. Apparently the Members on that side of the aisle are not too much concerned about this discrepancy. The General Accounting Office said that the trouble in auditing the Commodity Credit Corporation was not a shortage of auditors but lack of sufficient appreciation on the part of the managers of the Commodity Credit Corporation of their responsibility even to have books from which a report could be rendered to the taxpayers. The manager of the Corporation did not feel that the Corporation was supposed to make a report, and many of the accounts are still not reconciled. We might add $100,000,000 to the appropriation for the General Accounting Office, but until the agencies themselves are forced to keep records which can be properly audited, we shall never get an audit that is any good.

Here is another interesting report made by the General Accounting Office, which was submitted to the Senate:

MY DEAR MR. PRESIDENT: There is transmitted herewith for the information of the

Senate a report concerning the conversion of two price-minus contracts between the United States Maritime Commission and Froemming Bros., Inc., to a selective-price contract. The report shows that this action resulted in a financial loss to the Government of nearly $400,000. The report also shows that by reason of accounting methods employed by the contractor, acquiesced in by the Maritime Commission, a possible saving of over a million dollars was lost to the Government.

Apparently no one thought it was of sufficient importance to do anything about it. The report has been lying in the Archives for the past several months.

Here is another report——

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. MAGNUSON. I regret that I was not in the Chamber when the Senator was speaking about the report with regard to the Maritime Commission, with which I am familiar. I understand that the Senator intimated that it is a report about which no one has done anything.

Mr. WILLIAMS. No——

Mr. MAGNUSON. I wish to inform the Senate, including the Senator from Delaware, that the Senate Committee on Interstate and Foreign Commerce is very familiar with that report. It has been submitted to us within the past 30 days. It is now in the hands of a special subcommittee, which is in process of investigating the entire maritime situation in the United States, including the Maritime Commission.

Also, many of these reports by the General Accounting Office have been submitted to the Committee on Expenditures in the Executive Departments, and from time to time attention has been called to them.

The very fact that the General Accounting Office has done this during the past 3 and 4 years has led, in my opinion, and in the opinion of the committee—I do not speak for all the members of the committee, but I speak for myself in that respect—to a complete revolutionizing of the administration of the Maritime Commission in the past 18 months.

I merely wished to inform the Senator that if he is alluding to the fact that no one has done anything about the report, I can tell him that the report is in process of being combed very thoroughly.

Mr. WILLIAMS. What I was pointing out——

Mr. MAGNUSON. Because of the General Accounting Office, many factors have been brought to light. I must admit that there has been a great deal of mismanagement in the Maritime Commission, which the Senate will hear about in due time.

Mr. BRIDGES. Mr. President, will the Senator yield to me for a question?

Mr. WILLIAMS. I yield, and then I will reply to the Senator from Washington.

Mr. BRIDGES. Will the Senator from Washington indicate whether any of the 171 cases of fraud alleged in the report have been prosecuted by the Department of Justice?

Mr. MAGNUSON. I may say that the use of the term "fraud" is somewhat of a misnomer. Of course, there is such a thing as fraud that can be prosecuted, and then there is mismanagement that can be termed fraud by some persons who are investigating such matters.

Mr. BRIDGES. These were cases of alleged fraud.

Mr. MAGNUSON. If the Senator will read the report, I think he will find that as to the 171 cases mentioned, there would be some question in the Senator's mind as to whether there was actual criminal fraud which could be prosecuted.

The General Accounting Office frequently says to the departments, "You have been given funds for purpose A, and the law says they shall be used for purpose A, but you have used the funds for another, quite different purpose."

The funds probably are legally and wisely used; but the minute there is a different interpretation in the General Accounting Office, the term "fraud" is used, because the department in question violates what the General Accounting Office regards as the congressional directive.

In all those cases I doubt whether criminal fraud will be found to appear at any time, even if the cases are thoroughly combed. Of course, we on the committee have gone into them in some detail.

Mr. BRIDGES. At least they involve violations.

Mr. MAGNUSON. Technical violations, possibly, I would say.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield, but I still am waiting to reply to the Senator from Washington myself.

Mr. AIKEN. When I said a little while ago that nothing has been done about these charges on the part of the General Accounting Office against the Maritime Commission, I was not strictly correct, because in the last 3 or 4 years the committees of both the House and the Senate have paid attention to them. Last year our own Committee on Expenditures had a staff of approximately seven or eight people working from the time Congress adjourned until almost the first of January, making management survey, in cooperation with the General Accounting Office. As a result, last summer the Commission began to reorganize.

Unfortunately, the Congress cannot go all the way in bringing these people to account. We do not have authority to take them into court and have them tried in court. I do not know that any of them have ever been called to account by the Department of Justice for the wrongs they have committed, according to the General Accounting Office. But it would not be quite true to say that the Congress has done nothing.

I admit that from the time when I first began to call these reports to the attention of the Senate, for a few years there was very little response to my efforts. But during the last 3 or 4 years, more has been done; and I feel that the Committee on Expenditures, which was really set up 2 years ago for the first time in a workable form, has performed a very valuable function.

I wish to say that since General Fleming has assumed the Chairmanship of the Commission, things have been getting better. However, there is still a great deal of room for improvement.

Mr. WILLIAMS. Mr. President, I should like to read into the RECORD again, in order to clarify the point raised by the Senator from Washington, what the General Accounting Office states regarding fraud. What I shall read is not my statement, but the statement received by the Congress from the General Accounting Office:

On page 5 of one of the reports it is stated:

> The Commission failed to make reports of cases involving fraud or irregularities to the General Accounting Office in accordance with the requirements of General Accounting Office Regulation No. 50, as amended.
>
> The files of the Maritime Commission in February 1947 disclosed 171 cases of alleged fraud.

The General Accounting Office breaks down those cases as follows:

Kick-backs	$100,941.93
Overcharges	772,321.12
Commissions	55,848.02
Theft of Government property	3,338.45
Diversion of labor and/or material	17,922.28
Pay roll padding	446,987.73
Irregularities in termination claims	282,936.80
Surplus sale irregularities	99,643.09
Defective material and equipment	332,923.00
Others, miscellaneous	76,017.03

Or a total amount of $2,188,879.50.

There is a footnote by the General Accounting Office to the effect that they think possibly the Government will recover $1,000,000.

Now I call the attention of the Senator from Washington that what we are discussing here are not mere technical violations.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. MAGNUSON. Of course what the Senator has been saying is correct. However, that is not a question of fraud for which the Maritime Commission is responsible. What the General Accounting Office is talking about there are cases occurring during the war, during the period of the wartime construction of ships, at which time the Maritime Commission contracted for shipbuilding in the amount of hundreds of millions of dollars. In some cases there might have been a conspiracy between some employees. Of course there were thousands of employees at that time, perhaps employees of the Maritime Commission or perhaps employees of competing contractors.

No doubt those records involve cases where a ship inspector may have done something wrong. All of those are individual cases which have been called to the attention of the prosecuting authorities in the local communities where such things occurred; and in those cases there have been some prosecutions.

If the Senator from Delaware will examine the record, he will find that many cases arising as a result of wartime operations in connection with the

great shipbuilding program were prosecuted. What he has read is absolutely correct.

The great complaint which the General Accounting Office has against the Maritime Commission is that the Congress in a very complex and comprehensive law gave the Maritime Commission certain moneys to be used by it for the construction of ships, for the improvement of ship design, for shipping operations, and for similar operations. The Maritime Commission's interpretation of that law involved a different interpretation than that made by some of the lawyers of the General Accounting Office.

Mr. WILLIAMS. But, Mr. President, I should like to point out that we are not talking about the interpretation of laws. And I doubt very much that the Senator from Washington has even read this report which I have here.

Mr. MAGNUSON. I am talking about the Government departments.

Mr. WILLIAMS. Any man in the Maritime Commission, having any position of authority, certainly knows better than to interpret kick-backs, overcharges, thefts of Government property, and similar offenses as minor affairs; if he does not, he is not competent to hold his job.

Mr. MAGNUSON. I do not think they are minor. But in view of the great amount of shipbuilding which occurred during the war, operations involving hundreds of millions of dollars, I am sure that in some shipyards someone was engaging in some kick-backs, and someone may have been stealing in some way or other, here or there. We found that in practically every activity which was conducted during the war. But that is not the fault of the Maritime Commission or of the General Accounting Office.

Mr. WILLIAMS. Mr. President, I am not finding fault with the General Accounting Office. I am congratulating the General Accounting Office on the thoroughness of the job it did in reporting this to the Senate. I still do not know why the appropriate committee has not taken some action.

Mr. MAGNUSON. Of course, I think it did an excellent job on these matters.

Mr. WILLIAMS. Every time irregularities are pointed out in any of the Government agencies, immediately reference is made to the wartime operations, and the war is cited as an excuse for all such irregularities. The war does not excuse fraud.

The report to which I have been referring is accompanied by a letter of April 10, 1947. Again, a letter dated March 31, 1948, together with another report from Mr. Warren, of the General Accounting Office, stated that the books of the Maritime Commission were even in worse shape than they were before in the prior years. Instead of improving, the affairs of the Maritime Commission are getting worse.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. GEORGE. The Senator from Delaware is indicting the General Accounting Office and General Lindsay Warren for failure to have other agencies of the Government carry out their duties.

Mr. WILLIAMS. No, Mr. President; on the contrary, I am praising the General Accounting Office for the good work it has done in calling the situation to our attention. If there is any indictment at all, it should be against us as Members of the Congress for our failure to see that the situation was cleared up. I think the General Accounting Office has done a wonderful job, and I might say they did it without the benefit of the increased appropriations now being requested by the committee.

Mr. GEORGE. Then I do not see the relevancy of the Senator's criticisms, when they are presented in connection with an appropriation which is urged for the General Accounting Office. If someone else has been derelict in duty, it is not the responsibility of the General Accounting Office.

Mr. WILLIAMS. The point is this: With the appropriations which have been made to the General Accounting Office in the past, they have been doing a wonderful job, a very much better job than we in Congress have done in following up their recommendations. They have been able to submit reports to us on time. Reports which have not reached us on time from the General Accounting Office have been late as the result of a lack of cooperation on the part of the executive branch of the Government and I submit an increased appropriation for the GAO will not correct that situation.

Mr. GEORGE. Mr. President, what the Senator is saying may be entirely true, but I do not see how that is quite pertinent, when we are called upon to consider an appropriation for a very efficient officer of the Government.

Mr. WILLIAMS. Mr. President——

Mr. GEORGE. If the Senator from Delaware will permit, I do not want to interfere with his statement, but let me say to him that I happen to know something about the General Accounting Office. In the first place, I have regarded Mr. Warren, from the time he served in the House, as one of the ablest public servants in the United States.

Mr. WILLIAMS. I agree with the Senator on his ability. But that is not the question upon which we are voting.

Mr. GEORGE. I have not qualified that opinion at all. I wish to remind the Senator, as he must know if he has followed closely the history of the General Accounting Office, that General Warren has not hesitated to take issue even with the Chief Executive, and with every single branch under the President's Cabinet, when the occasion demanded it, many times at his cost. He has been really a fearless public servant.

The Senator is now referring to wartime contracts. I want to make this statement on that point: Shortly before the war came to an end, the Senate authorized the appointment of a special committee on postwar economic policy and planning. A committee was created, and, since I offered the resolution, I was named its chairman. It was a committee of 10 Senators, as I recall, appointed by the Vice President. One of the bills recommended by that committee to the Congress and passed by the Congress was the Contract Settlement Act, an act for the clearance of plants, for the cancelation of war contracts, and for settlements under war contracts. If I do say so myself—and the credit goes to other members of the committee, not to myself—that was one of the constructive steps that kept this country from really having 8,000,000 unemployed, as Mr. Robert Nathan, who is now making his latest report on steel and on the steel controversy, warned us might happen. Even the Vice President of the United States said we were bound to have an unemployment of 8,000,000, and he thought perhaps more.

The administration of this plant-clearance, war-contract cancelation, Contract Settlement Act, fell very largely into the hands of the Comptroller General of the United States. Of course I cannot go into details at the moment, but I think I should say in behalf of a really great public servant that I have personal knowledge that literally hundreds of millions of dollars were saved upon war contracts through the vigilance and diligence of the Comptroller General and his office.

Mr. WILLIAMS. Mr. President——

Mr. GEORGE. If the Senator will pardon me, I know that such things as have been mentioned occurred because many of the contractors complained to me, as the head of the committee. In every instance I said, "Make your peace with the Comptroller General. If he is right, and if you are not entitled to full settlement, you should not receive all that you claim." I should not want to make a statement I could not verify, but I unhesitatingly say that hundreds of millions of dollars—I am not sure that it did not run into the billions of dollars—were actually saved.

Whether the Attorney General prosecuted, or whether any other branch of the Government acted, I do not know; but I do know that Mr. Warren and his office, in every case where he thought there was fraud, withheld payment, compelled adjustments, and saved to the Government literally hundreds of millions of dollars on all sorts of war contracts. I think I should make this statement, in justice to Mr. Warren.

I desire now to make another statement. The Comptroller General is distinctly and definitely a creature of the Congress, and is in fact an arm of the Congressional power in the Government, though not exclusively such. Of course he is appointed by the President. He is amenable in certain ways to the Chief Executive, but nevertheless his office and his whole function is to aid and assist the Congress of the United States. If anybody is derelict, it is the Congress, the Senate as well as the Members of the House. Certainly dereliction should not be charged to Mr. Warren. Whether this particular appropriation that is requested is justified entirely, I do not undertake to say; but I do undertake to say it would be most unfair and most unjust to hold General Warren responsible for a failure of the executive branch of the Government, particularly when such action upon our part would constitute

the severest indictment of the legislative branch of the Government that can be imagined or formulated. So, in no event should he be held responsible for our failure.

Mr. WILLIAMS. Mr. President, I do not know whether the Senator was present when I began speaking, but I made it very plain that anything I was saying was in no sense to be interpreted as a criticism of Mr. Warren or the General Accounting Office. There is not a man in the executive branch of the Government for whom I have a higher respect. I agree with everything the Senator from Georgia has said regarding his ability, but just because we respect the man does not mean that we should give him an extra $3 000,000.

Mr. GEORGE. I do not think the Senator should attempt to cut off his water, then, because somebody else has failed.

Mr. WILLIAMS. But, merely because we think a man is doing a wonderful job, does not necessarily mean we cannot cut the appropriation for his office. We still propose to allow him more than he ever had prior to 1942.

Mr. GEORGE. That is true, and I do not think the appropriation is either too large or too great. But I do say that the appropriation should not be reduced for the reasons advanced by the Senator from Delaware.

Mr. WILLIAMS. I was merely pointing out that the Comptroller General had been doing a wonderful job and that he had been doing that job with the employees he had, and therefore I did not see why the committee should again increase the appropriation for his office $3,000,000 more than the House considered necessary.

Mr. O'MAHONEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Wyoming?

Mr. WILLIAMS. I yield.

Mr. O'MAHONEY. I sought to interrupt because of the statement the Senator made at this particular point, namely, that the Comptroller General is doing this work with the staff he has. As a matter of fact, the reports are piling up because he does not have a sufficient staff. That is the statement he personally made to our committee. More than that, the staff of the General Accounting Office—and the Senator from Massachusetts will recall his testimony, I am sure, because he inquired of Mr. Warren—the staff has been reduced by more than 6,000, and if this amendment offered by the committee is rejected, he will have to cut off 1,200 more.

What the Senator from Georgia has said is perfectly accurate. It does not go quite far enough. Not only did the Comptroller General save millions under the Contract Settlement Act; not only did he, since 1940 recover $635,000,000 by way of collections from accounts; but he was responsible largely for the Government Corporations Act, which was introduced by the Senator from Virginia [Mr. BYRD], and in two instances alone, the Federal Prisons Industries Corporation and the Panama Railroad Corporation, the work of the Comptroller and his staff has resulted in the payment of dividends amounting to $22,000,000 to the Government of the United States. I submit it is very poor acknowledgment of remarkable services to cut down the appropriation and the staff of such an able public servant as that.

Mr. FLANDERS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Vermont?

Mr. WILLIAMS. I yield.

Mr. FLANDERS. Mr. President, I want to be sure that I understand the point which the Senator from Delaware is trying to make. I will state the point as I have understood it, and then ask the Senator if I am correct in my understanding.

If I am correct in my understanding, the Senator from Delaware is making the point that the General Accounting Office now is furnishing us with more cases than we follow up.

Mr. WILLIAMS. That is correct.

Mr. FLANDERS. He is asking why we should continue to provide the General Accounting Office with facilities for following up cases much faster than we can pay attention to them. Is that the point the Senator is trying to make?

Mr. WILLIAMS. That is the point, plus the fact that the General Accounting Office, to my knowledge, is up to date, as nearly as it could be, on the reports. With respect to the reports as to which it is behind in its work, it is not the fault of the General Accounting Office, but is the fault of other Government agencies for not furnishing the adequate information as they are required to do under the existing law.

I know that after the war the General Accounting Office was given the extra job of auditing war contracts. But that job is over, the reports are here now before Congress and have been for several months.

Besides I call your attention to the fact again that we are not proposing to put this agency out of business, we will still be leaving them more employees than they ever had before the war or before 1942 and we will be giving them more money than the House considered necessary.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. SALTONSTALL. Mr. President, I should like to say a word in regard to the employees of the General Accounting Office. In some of the instances in which we have increased appropriations and I voted with the committee, I was not absolutely clear. This case, I think, is the clearest one we have. In 1946 the General Accounting Office had 14,904 employees. It now has 9,450, or a decrease of 5,454 employees in 3 years. If a 10-percent cut should be applied, there would be a further reduction of 1,200 employees. If I correctly understand the Senator's amendment, approximately 600 more employees would have to be dropped.

During the past 5 years the General Accounting Office has voluntarily turned back to the Treasury $13,000,000 from appropriations. As the Senator from Wyoming has said, in the past 3 years it has collected $635,000,000, and has this year already collected $76,000,000.

It seems to me it is one office that has made an extremely good case for an increased appropriation. We gave it only about half the amount it requested.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield. Bust first I say that the Senator from Massachusetts is wrong in that you say you gave them only half the amount requested. If the full committee amendment is adopted you are giving them all.

Mr. BREWSTER. Mr. President, I should like to ask the Senator from Massachusetts as to the comparison of the Federal budget of 1946 and that of this year. It seems to me it makes a great deal of difference as to how much accounting there is to do.

Mr. SALTONSTALL. I cannot answer the Senator's question.

Mr. BREWSTER. Is it not true that there were enormously inflated expenditures in the war years, when we were spending as much as $80,000,000,000 to $100,000,000,000 a year. We are now spending approximately $40,000,000,000. Does it not make a great deal of difference how much accounting there is to do in a job of that character?

Mr. SALTONSTALL. I think so. As to the amount of collections the office has turned back into the Treasury, that is always a question of balance in the Internal Revenue Office.

Mr. BREWSTER. I have the very highest regard for Lindsay Warren, with whom I served in the House. I think he is one of the best officials the Government has. But I do not think that means that any given amount should be appropriated. In view of the very great reductions in Federal expenditures, I think we might very well go along that line.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. KNOWLAND. Should not this point be considered? Because of the heavy expenses of the war years, unless the General Accounting Office is able to carry on its investigations, the statute of limitations is likely to run very quickly, if it has not already run in a great many cases? Therefore, it seems to me we may be getting toward the jumping-off place where the General Accounting Office cannot find any fraud or other similar situations existing, and we may lose a good opportunity of rectifying the situation.

Mr. WILLIAMS. The audit of the war years has been completed and is in the possession of the Senate besides. The statute of limitations has already expired, so far as the war years are concerned. The war is over, and I do not think we should compare the personnel of the Office at this time with what was required during the year in the postwar years. I repeat, if we adopt this amendment and reduce the number of employees 5 percent, the General Accounting Office will still have approximately 50 percent more employees than it had at any time before the war.

Prior to 1942, which was a war year, it never had as many employees on the

pay roll at any time as it will have even if the reduction is made. In 1942 the expenses of the Government were just as great as they are today; in fact, they were greater. If at some time we do not begin to cut back the number of Federal employees, we shall never balance the budget. Before the war started, the General Accounting Office had between 4,000 and 5,000 employees, not 8,000 or 9,000 as they now request. I am speaking of the years 1938 and 1939. We are still giving the office double what it had before. I feel that if Congress is really sincere in its desire to balance the budget, we may as well vote for these cuts. In the resolution which was signed by 62 Members of the Senate requesting the President to cut the budget 5 percent there was no exception made for the General Accounting Office or any other agency. We were very bold in endorsing that resolution, placing the responsibility on the President, yet when we call the roll here on cutting any individual agency we hesitate.

We are planning to tell the President we wanted him to cut every department of the Government 5 percent. If we meant that, then let us adopt this amendment. If we did not mean it, and want our pet agencies exempted, then let us write such exemptions in the resolution proposed and be frank about it. I think it is very cowardly to vote for the full appropriations here, then later call on the President to do the job we are not men enough to do. There are many amendments to be proposed to this bill calling for reductions. It is our opportunity to tell the country whether or not we ever intend to balance this Federal budget.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

The amendment was rejected.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The VICE PRESIDENT. The clerk will state the next amendment.

The next amendment was, on page 35, line 8, after the word "only", to strike out "$1,423,800" and insert "$1,582,000."

The amendment was agreed to.

The next amendment was, on page 35, after line 8, to insert:

Agency expenditure analysis: For necessary expenses to carry out the provisions of section 206 of the act of August 2, 1946 (Public Law 601), including personal services in the District of Columbia or elsewhere, printing and binding, and the procurement of services authorized by section 15 of the act of August 2, 1946 (Public Law 600), $800,000, to be immediately available: *Provided,* That the Comptroller General of the United States is authorized to employ all personnel under this appropriation without regard to the civil-service laws, rules, and regulations.

The amendment was agreed to.

The next amendment was, under the heading "Housing and Home Finance Agency—Office of the Administrator," on page 36, after line 2, to strike out:

Salaries and expenses: For necessary expenses of the Office of the Administrator, including a health service program as authorized by law (5 U. S. C. 150), $1,200,000.

And in lieu thereof to insert the following:

Salaries and expenses: For necessary expenses of the Office of the Administrator, including personal services and rent in the District of Columbia; printing and binding; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); expenses of attendance at meetings of organizations concerned with the work of the Agency; payment of tort claims pursuant to law (28 U. S. C. 2672); a health service program as authorized by law (5 U. S. C. 150); purchase of one passenger motor vehicle for replacement; and dissemination of the results of research and studies undertaken pursuant to title III of the Housing Act of 1948, notwithstanding the provisions of 39 United States Code 321b; $1,200,000.

The amendment was agreed to.

The next amendment was, under the subhead "Public Housing Administration," on page 37, line 12, after the word "housing", to strike out the following additional proviso: *"Provided further,* That no part of this appropriation shall be used to pay any public housing agency any contribution occasioned by payments in lieu of taxes in excess of the amount specified in the original contract between such agency and the Public Housing Administration or its predecessor agencies."

The amendment was agreed to.

The next amendment was, on page 37, after line 21, to insert:

OFFICE OF THE HOUSING EXPEDITER

Salaries and expenses, Office of the Housing Expediter: For expenses necessary to carry out the functions of the Office of the Housing Expediter, including personal services in the District of Columbia; attendance at meetings of organizations concerned with rent control; hire of passenger motor vehicles; printing and binding; purchase of newspapers (not to exceed $10,000); services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); not to exceed $5,000 for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and health service program as authorized by law (5 U. S. C. 150); $24,075,000: *Provided,* That as to cases involving the functions transferred to the Office of the Housing Expediter by Executive Order 9841, section 204 (e) of the Emergency Price Control Act of 1942, as amended, shall be considered as remaining in full force and effect during fiscal year 1950.

Mr. BRIDGES. Mr. President, this item has to do with the Housing Expediter. The particular question has to do with rent control, primarily. When the House passed the bill the Rent Control Act was not yet in effect, and this item was not put into the appropriation bill until it came to the Senate. The Senate committee recommends $24,075,000. The top peak in personnel this year, for rent control, is 4,947. The figure recommended by the committee calls for an increase in personnel of 553. If I correctly understand the situation, eventually rent control will be on its way out. There are certain areas of the country which are being controlled, and certain hotels were recontrolled, but there is no reason why the Housing Expediter cannot do his work with the existing personnel, which numbers 4,947 persons, or why he should need 553 additional employees.

For that reason, Mr. President, I move that the appropriation reported by the committee be cut $2,407,500 to $21,667,500, which is a 10-percent cut.

I take that figure because 553 is slightly more than 10 percent of the personnel.

Mr. President, I thing my proposal is a fair one, and on the amendment I ask for the yeas and nays.

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. In the committee amendment on page 38, line 9, it is proposed to strike out "$24,075,000" and to insert "$21,667,500."

The VICE PRESIDENT. On this question the Senator from New Hampshire asks for the yeas and nays.

The yeas and nays were ordered.

Mr. CAPEHART. Mr. President, I am a member and possibly the president of the Silent Senators Club. Some 2 or 3 months ago, Senators will remember, I organized the Silent Senators Club on the floor of the Senate. Since that time I have had very little to say, and I rather suspect that the organization we created that night has been helpful to the United States Senate. In spite of the fact that it may not seem that we have accomplished very much since then, at least we have had less talk than we had, at least we have had less talk on the part of many Senators. We have had no filibuster.

Mr. President, I possibly should not be talking tonight, but I wish to ask this question: When are we going to live within our income?

The VICE PRESIDENT. The Senate will please be in order, on the left and the right particularly. [Laughter.]

Mr. CAPEHART. When are we going to live within our income, Mr. President? When are we going to have the courage in the United States Senate and the United States Congress to appropriate no more money than we reasonably can anticipate collecting in revenue?

I signed the petition, along with 61 other Senators, to direct the President of the United States to reduce expenditures from 5 to 10 percent, and I am frank to tell my colleagues that when I signed it and became a party to it I felt rather sheepish, as we say in Indiana. I felt as though I was a party to passing the buck to the President of the United States to do something which I personally did not have the courage to do myself. My only reason for signing it was that we at that time passed on four or five appropriation bills, and it was impossible to withdraw them or reconsider them.

I ask the President of the Senate, how long can he as an individual expect to keep out of the hands of the sheriff if he spends more money each day and each week and each month and each year than he takes in?

The VICE PRESIDENT. Does the Senator want the Chair to answer that question? [Laughter.]

Mr. CAPEHART. I do not, because I know the answer. The answer would

be that the sheriff would catch up with him just as soon as he was unable to pay his bills.

What are we thinking about? How long can we continue as a Government to spend more money than we take in each year? How long can we continue year in and year out to incur a deficit?

Mr. President, why have we not the courage to appropriate only the amount of money which we reasonably anticipate we are going to receive in revenue? There is not a Senator on the floor who would run his business as we run the business of the Government. Is there a single Senator here who would deliberately and intentionally in any given month or any given year spend more money than he anticipated he was going to have in revenue?

What are we thinking about? When do we expect to balance the budget? When do we expect to live within our income? What is wrong with the American people, through their Congress, saying to the United States and to the people throughout the world, "We expect that we are going to have X amount of money to spend in a given year or a given period," and then set about in an intelligent way to allocate the available money to this department and that department, to this branch of the Government and the other branch of the Government.

Why do we legislate in a hodge-podge way? There is not a Senator on the floor tonight who knows how much money the Congress is going to appropriate. There is not one here who knows, and there is not one here who would run his own business or his own private affairs on the basis of not knowing how much he was going to spend and not knowing what his personal income was going to be.

Mr. President, I say that, unless we stop this foolishness, sooner or later we are going to run out of money. I say—and I can talk from experience—that there is nothing worse in this world than to have more liabilities than assets. I have experienced it, and I suspect some of my colleagues have. Why should we deny that a government is any different from an individual, or a company, or a corporation, or an institution? Why do we do what we do here tonight, and why have we done what we have been doing all year? Why do we appropriate more money than our income?

I appreciate that there are those who hold the philosophy that deficit spending is a good thing. How much deficit spending? When are we going to stop this practice? When are we going to stop the growth of this great Government of ours? Are we at war? If so, whom are we fighting? When are we going to do the thing which every Senator on the floor of the Senate and every Member of the United States Senate knows we should do? Why do we argue about these things?

Let me put it this way: I care not whether we spend $40,000,000,000, whether we spend $50,000,000,000, whether we spend $60,000,000,000, I care not how much money we spend if it is properly spent so long as our revenues at least equal that which we spend. I am by nature a great spender. I have spent a lot of money in my time. I love to spend money. I doubt if there is a man on the floor of the Senate tonight who loves to spend money any more than I do. But I learned from bitter experience that one cannot spend more than he takes in without getting into trouble. Why do we do it?

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. CAPEHART. My question is, When are we going to balance the budget?

Mr. PEPPER. Will the Senator yield?

Mr. CAPEHART. I will yield in a moment. I see many Senators smiling. Go ahead and smile. It is perfectly all right with me. Go ahead and laugh at what I am saying. It is all right with me. But I am saying to the Senate that if the time ever comes in the United States when the American people lose confidence in the money of the Government and in their Government, Senators will not laugh. They can shake their heads and say, "It cannot happen in America," but I will stand here and list 25 things, possibly, which have happened in the past 20 years which 25 years ago many said could not happen here.

Mr. President, we had better consider this matter seriously, because it is a serious matter. There is not a Senator who knows how much money Congress is going to appropriate for the fiscal year. There is no way of knowing how much we are going to appropriate, the way Congress is now handling appropriation bills.

Mr. President, I ask again: Why do we not cut expenses? Why do we not reduce the budget? Why is it necessary to have a budget today of more than $40,000,000,000, when the war is more than 4 years behind us? Why is it necessary to have more than 2,000,000 Federal employees?

Mr. President, I have the highest respect in the world for Mr. Warren. I think he has done remarkable work. I am not standing before the Senate tonight to speak about the pending amendment. I know Mr. Warren has done a remarkably fine job. But the war is over. When he was handling war appropriations which ran up to almost $100,000,000,000 a year he needed a great many employees. In my opinion he did not then have a sufficient number of employees.

Mr. President, why is it so difficult to cut appropriations? Many persons hold to the philosophy that the Federal Government should spend $40,000,000,000 in order to maintain our economy on a high level and to avoid unemployment. Would it not be much better to cut the appropriations, to cut the cost of Government back to the point where it should be cut, keeping the Federal Government within its tax revenue, but, if it should become necessary, appropriate money for the purpose of so-called pump priming? It may become necessary to appropriate money in order to deal with unemployment, and I have no objection to appropriating money for that purpose only. I would not object to money being appropriated and spent for such a purpose.

Mr. President, why do we hide the cost of Government in a dozen or more appropriation bills?

My question is: When are we going to balance the budget? When are we going to live within our income? When are we going to discontinue appropriating on a hodge-podge basis? When are we going to follow the provisions of the Reorganization Act, which specifically state, if I understand them correctly, that the Congress shall arrive at a reasonable anticipated Federal income figure for the specific year and appropriate money accordingly? Why is it necessary to have the fights and the arguments which occur on the floor of the United States with respect to appropriations?

Is there a single Senator here tonight—if there is I wish he would stand up—who thinks that our Government, as it is constituted, and under the private enterprise system can continue year in and year out, and year in and year out to spend more money than it receives in revenue, and pile onto the debt, which stands today at the figure of approximately $252,000,000,000, billions and billions and billions of dollars more? Where is the limit? How high a debt can this Nation afford? Is it $260,000,000,000? Is it $275,000,000,000? Is it $300,000,000,000? Is it $350,000,000,000? Is it $400,000,000,000? Have we completely forgotten thrift? Have we completely forgotten debt? Are we some day going to repudiate the national debt?

Mr. President, I feel very deeply and sincerely on this subject. I say to the Members of the Senate that unless we stop spending more money than we take in each year, some of these days—Senators many shake their heads if they want to and laugh about it—Congress will be considering some sort of a fiscal policy which will be very unpleasant. Congress must come to it if we do not change our policy.

As I said a moment ago, Mr. President, I care not how much money we spend, if we have the money to spend. I should like to give the people of Europe billions of dollars. I should like to give everybody money. I should like to see people everywhere have a higher standard of living. I should like to give money for the purpose of raising the standard of living for all people and so, I suppose, would every other Senator. But I want to caution Senators and say that if we are not careful we will create in the United States a situation which will be harmful to those we are trying to help. It is not a matter of whether we should do all the things that are being advocated. We might well afford to indulge in some of them; many of them, if not all of them, may be desirable; but if we do not place a limit to the amount of money we spend, if we place no limit on the amount of our appropriations, we will injure the people we are trying to help.

Mr. President, I wish I had a blackboard before me tonight on which I could present a graphic illustration of what I have in mind. If I had a blackboard before me I would draw a line down the center of it, and on the left side of the line I would write down all the gov-

ernmental expenses, and I would write down all the people who are dependent upon the government. I should like to write on the left side of the line also all the things that are being advocated today to be done by the Federal Government.

On the other side, the right side of the line, I should like to write down the people and the institutions that must make the money to pay the taxes to support the group on the other side of the line. I say to the Senate that if we are not careful, the group on the left side of the line will become so numerous, their demands will become so great, and the cost of satisfying their demands will become so great, that those on the right side of the line, meaning those who are working and producing and paying taxes, will become unable to support those on the left side of the line. When that time comes, the thousands, and tens of thousands, and hundreds of thousands of people on the left side of the line who are deserving of help, who ought to be helped—and I want to help them—are going to lose, are going to be injured, because our Government will run out of money.

Mr. President, I shall not argue about the pending amendment or any particular amendment. I shall not argue about this particular bill or the other particular bill. As president of the Silent Senators Club, I have possibly talked too much already. I am not criticizing any individual Senator. I may be wrong in my position. I may be old-fashioned. Perhaps more money can be spent each day and each month and each year than the Government takes in, without the Government eventually going broke. I do not know about that.

When I look about me, Mr. President, and see the intelligence displayed on the faces of Members of the Senate, when I look at the Members of the House of Representatives and see the intelligence displayed on their faces, and when I meet officials of the administration and see the intelligence displayed on their faces—when I look around and see so much intelligence displayed, I wonder what, after all, we are all thinking about. If we are not careful how we appropriate and spend money, it is my personal opinion that we will hurt the people we are trying to help.

Please keep in mind the imaginary blackboard I have described. Those on the left of the line drawn down the center of the blackboard are people we are trying to help. Those on the right of the line are those who provide the funds with which help can be extended to those on the left side of the line.

Mr. President, I was going to make a motion in connection with the pending appropriation bill and every other appropriation bill from this time on, to recommit each bill to the Appropriations Committee with instructions to deduct 5 percent from each appropriation bill. I have decided not to make such a motion.

I for one, as a signer of the petition, with 61 other Senators, asking the President to make a cut in the appropriations, am certainly not proud of myself. In signing that petition I am passing the buck to the President of the United States to cut expenses. The responsibility is here. It is not with the President of the United States. The President is supposed to spend the money which the Congress appropriates. Why do we pass the buck to the President?

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CAPEHART. In a moment I shall be very happy to yield.

Why do we pass the buck? Why do we not have the courage to reduce expenditures and balance the budget? When are we going to do it? It is said, not this year. Are we going to do it next year, or the year following? When are we going to do it? The war has been over for 4 years, and yet this year we will appropriate more than $40,000,000,000. Our State, county, city, and township governments are increasing their appropriations year in and year out. For the first time in its history the State of New York has made appropriations in excess of $1,000,000,000. For the first time in its history the appropriations of the State of California have exceeded $1,000,000,000. Property taxes throughout the State of Indiana are increasing. What is the end going to be?

Think of the blackboard. Think of the line in the center. Think of those on the left who are trying to live off those on the right, and say to yourself, "How long will it be before there will be so many on the left side of the line living off those on the right side of the line that those on the right side of the line can no longer support those on the left side of the line?" When that time comes, we shall be in trouble.

Mr. President, I apologize to the Senate for taking so much time, but I am sincere. As I have said, I care not how much money we spend, if we have it. I should be delighted to see a national income of $400,000,000,000 a year. I should be delighted to be able to spend $75,000,000,000. The point is that we do not have it. Some day we may have it. In my opinion the best way to get it is for the Federal Government never to spend a dollar more than it takes in in taxes. That is the way to build confidence in business. Taxes come from business. They come from the people. They do not come from any other source. They cannot come from any other source. They come from the people of the United States, who must earn them. They must make a profit before they can pay taxes. If we are to load down the people who are working and must pay the taxes, with so many people on the left side of the line, and make taxes so high and put such a great burden on those on the right side of the line, we shall break the backs of the people on the right-hand side, and they will not be able to pay it.

I do not want to argue about individual amendments. I am perfectly willing to leave that to the administration and the Appropriations Committee. We cannot determine those questions on the floor of the Senate. But there is one thing we should know; there is one thing we do know; there is one thing we learned in the first grade when we went to school; and that is that two and two make four. We should have learned, and we did learn, that we cannot spend more than we take in without getting into trouble. We shall eventually go bankrupt if we continue to do so. There is no other answer. We learned that in the first grade in school. It is taught in every school in the 48 States.

I can think of nothing that would be finer for the American people than to have the word go out that the Congress has decided that tax revenues for the fiscal year ending June 30, 1950, are expected to be X amount, and that we are not going to spend one penny more than that, but are going to balance the budget and live within our income.

Perhaps I am wrong. Senators may smile about it or laugh about it, or do anything they care to do about it. But let me say in closing that if we do not stop it, the day will come when the Congress of the United States will be considering a fiscal policy for the United States which will be very unpleasant, and will be a repetition of what has happened in other nations. Then it will be too late.

Mr. President, I apologize for taking so much time.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES] to the committee amendment on page 38, line 9.

Mr. O'MAHONEY. Mr. President, I desire to make a comment or two with respect to the pending appropriation. At the same time, I wish to compliment the Senator from Indiana [Mr. CAPEHART], who has just taken his seat, for the evident sincerity with which he spoke.

I wish to say to him and to other Members of the Senate that the Senate Appropriations Committee has not passed the buck to the President of the United States with respect to this item, nor, so far as I know, with respect to any other item. The budget recommendation which came to the Senate for the Office of the Housing Expediter was $26,750,000. The amount which the committee recommended was $24,075,000. The amount which we cut from the budget was $2,675,000, or exactly 10 percent. With respect to this particular item we have already done precisely what has been recommended. The Bureau of the Budget asked for 10 percent more than we granted. So I say that on the record we have not passed the buck.

We are asking for 90 percent of the budget recommendation to carry out a law which the Congress enacted this year. In passing that law the Congress understood that there were many complications. The Congress understood that there would be evictions. The Congress understood that there were landlords who, under rent control, would suffer; and precisely because that burden was recognized, in that law the Congress provided for the personnel to do the work involved. According to the testimony produced before our committee, 86 percent of the additional personnel provided for in this appropriation are for the purpose of handling problems of

evictions, and for local assistants. This is what was said:

We have said many times that eviction control is the heart of rent-control enforcement. Yet we must not delay the processing of legitimate eviction actions. Accordingly, we estimate that to process eviction petitions promptly and to handle the thousands of complaints brought into the open by eviction control will require 815 people.

The problem with which the committee was confronted was simply this: Shall we provide the funds to enable the Housing Expediter, whose office was created by order of the Congress, to carry out the responsibilities which the Congress, by majority vote, imposed upon him? The committee had no jurisdiction to say, "No; we will defeat the law by denying the appropriation." That is not our function. Of course, if the Senate wants to do it, that is something else.

This reminds me of what I conceive to be an incorrect assumption which has been made by many people who talk as the Senator from Indiana has just talked—and very sincerely, too, as was quite apparent. We talk of the war as though it were over; but the war is not over. The war cannot possibly be over until the peace is written. We have our occupation forces in Germany; we have our occupation forces in Japan. Who proposes to bring them back? Who proposes to withdraw them? We had the Berlin episode with the Berlin air lift. We appropriated for it; we bore that expense. That was an obligation of the Government. We carried it on because we felt that was the only way to prevent the advance of communism. That was our responsibility.

It is true that the budget which was submitted to us this year called for an expenditure of almost $42,000,000,000—$41,900,000,000. That is true. But how many Members of the Congress and how many of the people have stopped to realize that of that sum 76 percent goes to four war-connected categories, namely, national defense, international obligations and payments, veterans' benefits and payments, and interest upon the national debt? Out of this budget, there is only $9,900,000,000 for the civilian departments and agencies of the Government. So we have $32,000,000,000, upon one side, to be used to carry on the activities to bind up the wounds of war and to wage the peace, and, on the other side, we have $9,900,000,000 to carry on the normal activities of Government.

Mr. President, I wish to say to the Senate that these four categories I have mentioned have risen in cost 1,200 percent since 1939, 10 years ago. They have risen 1,200 percent because the Congress year after year since the fighting stopped has voted the authority to do these things.

Is it to be said that Congress is blind or that the administration is blind to this burden? Here on this very floor this afternoon the Senate agreed to the conference report on the armed forces unification bill, which was the result of the studies of the Hoover Commission. What was its purpose? Its purpose was to reduce the cost of the national defense. That bill was passed by the Congress in the conviction that if it became law, the expenditures for national defense might be reduced by $1,000,000,000.

When the Armed Services Committee reported that bill, it did so because it wanted to decrease the cost of national defense, one of the items which have increased in cost 1,200 percent since 1939. I could point to many others.

But, Mr. President, bear in mind that while these four categories have increased in cost at that tremendous rate, the other categories, the civilian departments and agencies, have increased in cost only 40 percent. I say "only 40 percent" merely by way of comparison. But I wish Senators to realize that the principal cause of that increase has been that wholesale prices have doubled and the wages and salaries of Government employees have, in many cases, tripled since 1939; and the Congress voluntarily, and out of the conviction that it was necessary, increased them.

The danger we confront is that by indiscriminate cutting of the appropriations for the civilian departments and agencies of Government, we shall reduce the capacity of the Government to function in such a way as to maintain the economy.

Consider, for example, some of the new expenditures—for instance, the expenditures for civilian aviation, for building airports, and for providing safety facilities in connection with aviation operations. No one but the Government will provide such facilities and engage in that work. If the Government did not do that, it would be utterly impossible to maintain the aviation industry. Similarly, I could point to comparable operations in every one of the various civilian agencies of the Government.

All day yesterday and all day today we have been struggling over appropriations having to do with some of the civilian departments and agencies of the Government, and we have been seeking to balance the budget by cutting those appropriations. Mr. President, the Members of the Senate could eliminate every dollar of the $9,900,000,000 of appropriations proposed in the budget this year for the civilian domestic activities of the Government, but there would still be $32,000,000,000 of appropriations needed to carry on the cost of war and peace, and that would be 3½ times greater that the entire cost of the Government 10 years ago, in 1939.

The war categories of which I have spoken, which have increased in cost 1200 percent in 10 years, and which now constitute 76 percent of the entire Federal budget, constituted only 29 percent of the entire Federal budget 10 years ago.

So, Mr. President, I say that when we present these items dealing with the operations of the civilian departments and agencies of Government, we should not assume that by means of making excessive cuts we shall be able to balance the budget.

In the case of the particular item now before us, the Appropriations Committee, because it sincerely desires to keep the cost of the Government down, has cut the appropriation 10 percent below the amount of the budget estimate.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I am very glad to yield.

Mr. CAIN. I should like to ask the distinguished Senator from Wyoming why in his opinion there should be a larger number of employees in the Office of the Housing Expediter for the coming fiscal year than for the fiscal year just passed?

Mr. O'MAHONEY. Because the Housing Expediter is doing many things this year which were not done last year, because of the fact that rent control is coming to an end, because of the fact that landlords seek to obtain higher rents, because of the problem of evictions, because of a number of other problems which the Senator from Alabama [Mr. SPARKMAN] can discuss much more ably than I can since he was on the committee which reported on those matters. We may have some differences of opinion between ourselves as to whether that should be done; but the Appropriations Committee was not confronted with that question. The Appropriations Committee was confronted with the law and the necessity of enforcing the law.

Mr. CAIN. Let me suggest that I raise this question because I have been and am a member of the Banking and Currency Committee which has had the subject of rent control under serious consideration for several years. Against that background, I should like to ask the Senator what has been the net result of the operations of the Housing Expediter since the Rent and Housing Act was passed on April 1 of this year. Can the Senator from Wyoming indicate to the Senate how many community areas or portions of areas have been completely decontrolled since April 1 of this year?

Mr. O'MAHONEY. The evidence before our committee was that 108 communities had been decontrolled. How many have been decontrolled since that time, I do not know.

Mr. CAIN. I think it is safe to say that in a general way approximately 175 areas have been completely decontrolled since April 1 of this year.

Against that knowledge, I raise the realistic question, why is it necessary to have more people to operate a job which obviously requires much less to be done in connection with it, as of the present time? I think it is agreed by every member of the Banking and Currency Committee, as it was agreed by Mr. Woods, that his job is essentially that of liquidating an operation which the American people and National Government want to get rid of at the earliest possible moment.

I suggest that in providing for that office 553 additional employees, as proposed for the coming fiscal year, we are but encouraging the maintenance of an operation which all of us wish to get rid of, and an operation which is getting rid of itself, so to speak.

Mr. O'MAHONEY. Mr. President, let me say to the Senator that we had evidence on that very subject. The areas which had been decontrolled when the Housing Expediter appeared before our committee were described by him as being fringe areas. That operation involved a small number of employees. He told of at least one case in which, after

there had been decontrol, application was made to resume control. That was America's decision. The Senator is quite right.

Let me read this from the statement:

On the credit side of the ledger is the matter of the various types of decontrol under the new act. On my own initiative I have taken 108 decontrol actions throughout the country. These were semirural and fringe areas and involved only 35 employees. I cannot tell exactly how many more of these actions may be justified before the expiration of the present act. Probable savings in salary and expenses have been considered in the preparation of the budget.

Mr. President, let me say at that point, by way of interpolation, I think we cannot assume that Mr. Tighe Woods, the Housing Expediter, will not continue voluntarily to decontrol when the conditions appear justifiable. I submit if on his own initiative he has decontrolled or had decontrolled, when he appeared before the committee, 108 areas, then it is not surprising to me that the Senator from Washington tells me that now about 175 have been decontrolled. In other words, the Senator gives testimony that Mr. Woods is continuing decontrol where the conditions warrant.

Mr. CAIN. There are several ways, I should like to suggest to the Senator from Wyoming, by which areas and communities may become decontrolled. The Housing Expediter has authority within his organization to decontrol an area. It is likewise true, fortunately, that the communities and States now have authority to decontrol, whether or not the office of the Housing Expediter is in agreement. I am delighted to compliment Mr. Woods with reference to those areas he has decontrolled in recent months, but I simply cannot see, from my own point of view, why he needs a substantial addition to his present personnel in order to get on with the performance of his job, which he and the various States are presently doing reasonably well.

The Senator from Wyoming mentions that Mr. Woods testified, generally speaking, that the decontrol actions were in the fringe areas. I suggest that in the immediate months which lie ahead, some very large American communities will either be decontrolled because of the action of the Housing Expediter, or they will request through their governors decontrol for themselves. If I am not mistaken, the city of Spokane, Wash., which can hardly be considered to be on the fringe of any other community, since it has a population of approximately 150,000 American citizens, is to be decontrolled as of August 1 of this year.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CAIN. Certainly.

Mr. O'MAHONEY. Tighe Woods testified:

We have only one standard of decontrol; that is to get out of a particular area or portion of an area when the demand for rental housing has been reasonably met.

I think the members of the committee, when they approved this appropriation for 90 percent of the budget estimate, did so because they were convinced that Mr. Woods was telling us exactly how he felt and exactly what he would do.

I should like to add another word. I have been in a position to observe Government employees ever since early in the year 1917. I have only words of highest praise for the patriotism and the diligence of the American citizens who come to Washington to work for their Government. During wartimes, I have found, as I am sure everybody else has found, among the men and women working for the Government a high degree of efficiency and loyalty. Certainly the Congress of the United States must have felt so when last year it passed the Pay Increase Act, which added $550,000,000 to the cost of the Government of the United States for the fiscal year 1950. I do not believe we can save money by criticizing these employees and talking as though they are all time wasters and salary grabbers who do nothing for the compensation they receive.

Mr. CAIN. So far as I know, the junior Senator from Washington has not made any such charge.

SEVERAL SENATORS. Vote! Vote!

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. CAIN. I should merely like to complete the answer, if I may, in response to the observation made by the Senator from Wyoming. The junior Senator from Washington has not cast any reflections, directly or otherwise, on the personnel of the Office of the Housing Expediter. I have raised the simple question, Why is it necessary to have more men and women in that operation to do less work? I submit to the Senate we have not yet been provided with sufficient information to justify increasing the reasonably substantial group of admittedly reliable and competent workers the Congress granted the Office of the Housing Expediter one short year ago.

Mr. BRICKER. Mr. President, I do not care to discuss the issues of the rent-control law. Those were decided some 3 or 4 months ago. But I recall that at the time of that vote most of us voted in the belief that this would be the last year for the rent-control law extension. Practically every one of the Senators, I think, voted for this year's extension in the hope that this would be the last year of rent control, from the Federal Government level. There are only a few spots in the United States, as there were then, that yet have any imperative situation. Those either have or could have State and local rent-control laws adequate to their needs.

At that time it was brought to the attention of the Senate that many of the employees of this agency were engaged in stirring up trouble against the owners of property, on behalf of the tenants, until one court was forced to dismiss hundreds of cases because the owners of small property did not have sufficient money to hire counsel, and it had become an annoyance to the court to pass upon the details of the cases which were brought to the court in an attempt to make it a collection agency as against the property owners and in favor of the tenants. That being true, it would seem that the Administration was overstaffed at that time.

What is the situation since? Not only have many areas been decontrolled, but there has been an increase, the largest increase, I think, in the history of the country, in housing facilities, both houses for sale and, we are glad to say, some few houses and apartments for rent; so the problem is less acute than it was when the bill was passed.

What is the evidence of the activities of this agency since the enactment of the law? Only this afternoon I read the forms which have been proposed to property owners by the Housing Expediter under the fair-net-return provision of the law. I said at the time the bill was passed that that provision was unintelligible. If it is, the forms sent out under it are more so. They are complicated and confusing. Of course, many persons will be required to interpret, plan, print, and circulate them in the various areas of the country. That is one of the methods by which the demand for more employees was built up for this agency, which ought to be passing out instead of being increased and enlarged.

Not only that, Mr. President, but since the enactment of the law the housing agency has been engaged in political propaganda, throughout the Nation, I presume. I know whereof I speak when I say that the local office in the city of Cleveland, Ohio, sent representatives to councils in suburban areas to induce them not to pass decontrol resolutions. They were on the Government pay roll, and, of course, they were among the number the Expediter wants to continue on the pay roll. The Expediter himself, on a recent occasion, in the State of Texas, when the Texas Legislature passed a decontrol resolution for the entire State, took an airplane and went to the Governor's office to try to induce him to veto the resolution of the State Legislature of Texas to decontrol the whole State of Texas. In my judgment, it is certainly outside the contemplation of the Senate or of the House, in the enactment of the law, that the funds appropriated should be used by the Expediter in order to propagandize local authorities to continue rent control so that he might enlarge the department and, no doubt, come back next year with a request for additional funds, and possibly more employees. On the basis of the number of employees he has and the amount of business the agency has, including traveling around the country on this propaganda activity, he will make the claim that it is necessary to continue the law another year.

We are now 5 years past the war, Mr. President, and this law is continued only under the authority that Congress has during a war and in the rehabilitation era succeeding the war, according to decisions of the Supreme Court of the United States. We have certainly reached the time when we should be considering getting rid of war controls—this is one of the last, it is true—rather than enlarging them and extending them.

So, Mr. President, in my judgment, the motion of the Senator from New Hampshire not only should be agreed to, but I shall be very happy to fight for a further decrease in the personnel in this agency, which, in my judgment, and, I think, in the judgment of every Member of the Congress who voted for the bill, is and ought to be a dying agency of the Government, no longer hanging on to a war power for the building up of its personnel, but, rather, going out of business in the interest of the public.

Mr. SPARKMAN. Mr. President, I have no desire to extend the debate, but I believe some things should be brought out in connection with this proposed amendment.

I believe, along with the able Senator from Ohio—and I have stated it on the floor of the Senate many times—that this year's extension of the rent-control law in all likelihood represents the last extension of rent control as a Federal matter of legislation. I have stated that many times, and I believe it is the feeling the committee had when it reported the rent-control bill this year.

I pay my respects to the Senator from Washington [Mr. CAIN] and the Senator from Ohio [Mr. BRICKER], because they have been absolutely consistent all along in their belief that rent control should not be extended this year. They worked and voted against it. But the President and the Congress saw fit to extend it.

I should like to call the attention of Senators to the fact that when we extended rent control we directed the Housing Expediter to place in every rent-control office in the country an extra man, and we defined what his duties should be; we enumerated his duties. We did not leave it discretionary with the Housing Expediter. He is not placing employees there because it wants to, but he is doing it because Congress told him to do it. Congress wrote it into the law.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. FERGUSON. Will the Senator read the provision which specifies that an extra man shall be placed in each office to perform certain functions?

Mr. SPARKMAN. I do not have the law before me, but I will tell the Senator, in substance, what it provides. The committee wrote it into the law and the Senate confirmed it. We directed that one person in every rent-control office should be detailed to the job of assisting landlords and tenants in filing claims for adjustments.

Mr. FERGUSON. That does not mean an extra man. Any man on the job could do it. For instance, the men who went to the town councils to persuade them not to pass ordinances of decontrol could have been doing that particular job. We did not provide that the Expediter should hire an extra man over and above the employees he had in the office. We said that certain functions were to be performed. It was up to him to perform them through the employees he had in the office.

Mr. SPARKMAN. If the Senator will read the debates, he will find that we many times referred to the fact that we were detailing a man in each office to do this job.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. KILGORE. As a matter of fact, while we did not specifically say these men should be hired, an extra duty was cast upon each office.

Mr. SPARKMAN. That is correct.

Mr. FERGUSON. Mr. President, will the Senator yield further?

Mr. SPARKMAN. Let me proceed for a moment. If we laid down an extra duty we would have to assume that there was an extra man already at work in the office. It was our thought that there would be in every rent-control office a man who would help landlords and tenants. That was part of the philosophy behind the rent-control law as it was written this year. We believed there were numerous landlords, particularly small ones, who were not receiving a fair deal under rent control, and, for the first time during the history of rent control, we provided that rents should be such as to enable landlords to do more than merely to break even. That is what the law provides.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. MAYBANK. I merely want to read the law which the Banking and Currency Committee wrote, and I want to show that the House insisted upon it and put it in the House bill:

> In order to help assure fair adjustments for tenants and small landlords the Housing Expediter is authorized and directed to designate for every defense rental area an officer whose function shall be to assist tenants and small landlords by (a) informing them concerning the conditions under which rent adjustments may be obtained; (b) helping in the preparation of applications for rent adjustments; and (c) providing them with such other information and services as may be necessary and appropriate.

That, Mr. President, was in the bill which the Congress passed, which the conferees agreed to, and which the President signed. That is the reason why additional employees are, in my judgment, necessary.

Mr. FERGUSON. Mr. President, will the Senator yield further?

Mr. SPARKMAN. I yield.

Mr. FERGUSON. It certainly does not provide for extra men. It assigns an extra duty.

Mr. SPARKMAN. The Senator from Michigan can assume that if he wishes, but we who wrote the law assume the other. I believe, when the Senate voted and when the House of Representatives voted, they also assumed it. We assigned additional functions and said that the Expediter should designate the men whose functions would be to do that specific thing.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. MAYBANK. In the conference the House of Representatives claimed that they wanted to protect the small landlords. If we had not accepted that amendment I doubt if we would have been able to have the conference report agreed to.

Mr. SPARKMAN. Mr. President, it was a part of the very heart of rent control that we were putting a man into each office to help get these adjustments.

Let us see something of what has been done since the law was passed. The Housing Expediter is asking for this man in each office, and the number he is asking for is 508.

Mr. CAIN. Will the Senator yield for a question?

Mr. SPARKMAN. Let me finish this thought, unless the Senator's question is in line with what I am discussing.

Mr. CAIN. I think it is in line with what the Senator is saying.

Mr. SPARKMAN. I yield to the Senator from Washington.

Mr. CAIN. If I understood the Senator from Alabama correctly, he said this means that the Housing Expediter is asking for X number of additional men.

Mr. SPARKMAN. Five hundred and eight.

Mr. CAIN. But that does not preclude the Expediter from selecting from among any number of these 508 offices the particular individual whom he charges, perhaps for the first time, with doing a reasonable job. The only reason why we wrote that provision in the law was that, distressingly but truly, we found that the Expediter was not giving the service for which he and his employees were being paid.

Mr. SPARKMAN. I admit that we found that the small landlords did not have the bookkeepers, and the well-kept records, the financial records, the accountants, and the lawyers, to enable them to make their claims, and therefore we directed the Expediter to put these men in the local offices; and that is what he is trying to do.

Mr. BRICKER. Mr. President, will the Senator yield for just one question?

Mr. SPARKMAN. I yield.

Mr. BRICKER. Was it not considered in the committee of which the Senator and I both were members that we had taken away from the Expediter a considerable amount of the business arising from determining which were distress cases, and the duty of deciding upon individual cases of landlords and tenants, and that therefore there would be a good bit of relief in the matter of employees, and that we centered upon one formula for the landlord, which was the formula of net-operating income? Therefore the process would be simplified; there would be an over-all formula, which would be applied to the country at large; there would not be the need for all the employees; and therefore the Expediter could designate one of those who had heretofore been engaged in passing upon the distress cases to spend his time on helping the small landlord, who was really a distress case.

Mr. SPARKMAN. No, Mr. President, I cannot agree with the Senator from Ohio.

Mr. BRICKER. That was discussed at the time, was it not?

Mr. SPARKMAN. I should like to call the able Senator's attention to the fact

that we specifically provided that the fair net operating income formula did not displace hardship cases, and they are still giving relief in hardship cases, just as they have been doing throughout. They were supplemental.

Mr. President, I desire to move along and complete the very brief statement I wish to make. But let me say that within 6 weeks after the rent-control law went on the statute books, the Expediter's office had given out over a million applications for rent adjustments. It is necessary for those applications to be processed just as fast as they can be, that help be given to the landlords in filling out the applications, and for relief to be granted just as fast as possible. We have called on the Expediter for a report as to the progress which has been made.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. LUCAS. May I inquire as to how long the Senator will speak?

Mr. SPARKMAN. If I were left to my own wishes I think I could finish in about 5 minutes. Of course, I cannot yield for questions and finish within that time.

The VICE PRESIDENT. The Senator has control of that.

Mr. LUCAS. My only reason for making the inquiry was that I more or less agreed with Senators that when the hour of 10 o'clock arrived we would take a recess.

Mr. SPARKMAN. That will not interfere with me.

Mr. LUCAS. Would the Senator be willing to resume his remarks tomorrow?

Mr. SPARKMAN. I should be very glad to comply with that arrangement.

Mr. HOLLAND. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield to the Senator from Florida.

Mr. HOLLAND. I note in the report of the committee that the statement of the Housing Expediter upon which the committee's action was predicated was made in May of this year. I happen to know that in the case of my own State most of the distress cases have been decontrolled since that time by action of the legislature. I am informed by other Senators on the floor that there have been a great many decontrols in their States since that time. I wonder if the Senator would be willing to let the matter go over until tomorrow, and to advise the Senate at that time, from the rent data available, as to just what the situation is.

Mr. SPARKMAN. I shall be very glad to try to get that information up to the very latest date.

Mr. MORSE. Mr. President, I ask unanimous consent to offer at this time two amendments to the pending appropriation bill so that they may be printed.

The VICE PRESIDENT. The amendments will be received and printed, and will lie on the table.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

INVESTIGATION OF APPOINTMENT OF CERTAIN EXAMINERS UNDER ADMINISTRATIVE PROCEDURE ACT

Mr. JOHNSTON of South Carolina submitted the following resolution (S. Res. 143), which was referred to the Committee on Post Office and Civil Service:

Resolved, That the Committee on Post Office and Civil Service, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation with respect to activities of the Civil Service Commission in determining qualifications for appointment of examiners under section 11 of the Administrative Procedure Act, including the activities of any advisory committee appointed by the Commission pursuant to such section. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation together with such recommendations as it may deem desirable.

INCREASED RATES OF COMPENSATION OF CERTAIN HEADS AND ASSISTANT HEADS OF EXECUTIVE DEPARTMENTS—AMENDMENT

Mr. GEORGE (for himself and Mr. MILLIKIN) submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, which was referred to the Committee on Post Office and Civil Service, and ordered to be printed.

REORGANIZATION PLAN NO. 1—STATEMENT BY SENATOR WILEY

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed in the body of the CONGRESSIONAL RECORD the text of a statement which I have prepared on the subject of Reorganization Plan No. 1.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

One of the most important issues facing us at the present time is in connection with the President's reorganization plans.

I have already indicated my strenuous opposition to Reorganization Plan No. 2 which would transfer the unemployment compensation and employment service functions from the Federal Security Agency to the Labor Department. Naturally, like my colleagues, I am most familiar with that particular plan because it has been up for consideration in the past, and we have turned it down flatly, as I am hoping we will do now.

Another plan requiring our close scrutiny is Plan No. 1 on which hearings will conclude tomorrow in the Senate Executive Expenditures Committee. Since this is the first time the plan has come up, many of my colleagues, like myself, have not had the opportunity to complete our review of the question. Let me, however, state that I am very skeptical of many features of the plan.

In addition I want to report that groups in my State have already expressed their active opposition on the basis of grounds which appear to me to be very strong.

In particular, the physicians of my State have expressed their vigorous objection to the plan. It is obvious that the plan is not in accord with the recommendations of the Hoover Commission for the setting up of an independent health agency headed by a professional career director general. Naturally, the physicians of my State do not want politics to control American medicine, and I join with them in their position. I should like to quote from some messages which I have received on this very day:

From Markesan, Wis.:

"The medical profession asks you to fight for the passage of the recommendations of the Hoover Commission, setting up a separate Department of Health."

From Chippewa Falls, Wis., an eminent physician expresses his strong opposition to the elevation of the present director of the Federal Security Agency to a cabinet post and states:

"We doctors favor the Hoover Commission plan of public health."

I could cite many other telegrams which I have received from all over my State.

Suffice it to say that I feel that the objections of the medical profession, as well as other groups, must receive our most careful consideration. These are the men who, after all, have done so magnificent a job in tending to the health of our people. They know our medical problems best.

Surely the Congress should not lightly dismiss their expert views on a subject to which they have devoted their lives.

RECESS

Mr. LUCAS. Mr. President, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 10 o'clock and 6 minutes p. m.) the Senate took a recess until tomorrow, Friday, July 29, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received July 28 (legislative day of June 2), 1949:

WAR CLAIMS COMMISSION

The following-named persons to be members of the War Claims Commission:

Daniel F. Cleary, of Illinois.
Mrs. Georgia L. Lusk, of New Mexico.
David N. Lewis, of New York.

UNITED STATES MARSHAL

Jones Floyd, of Arkansas, to be United States marshal for the western district of Arkansas. Mr. Floyd is now serving in this office under an appointment which expired May 18, 1949.

IN THE AIR FORCE

The following-named persons for appointment in the United States Air Force in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 308, Public Law 625, Eightieth Congress (Women's Armed Services Integration Act of 1948):

To be majors

Dorothy Bernstein	Elizabeth Johnston
Bertha Breskin	Bestrice Landry
Frances S. Cornick	Elizabeth L. Muenchinger
Rosalie R. Feldman	Virginia Mynard
Dixie E. Harmon	Dorothy E. Salipante
Agnes M. Hoffman	Ilae M. Tucker
Margaret D. Horn	

To be captains

Mildred R. Bachman	Maimie P. Oliver
Kathleen M. Berry	Mary C. Ryan
Gladys F. Erwin	Frances E. Scafide
June Everett	Dora E. Skelton
Dorothy M. Foxworth	Doris M. Smith
Marilynn Fritz	Myrl D. Stiles
Massye E. Goins	Beatrice Tarnoff
Margaret Graham	Charlotte E. Temple
Maudie E. Johnson	Edith M. Toffaletti
Genevieve J. Larges	Kathryne M. Walls
Gladys M. Nelson	

To be first lieutenants

Margaret M. Banfill	Fannie A. Griffin
Kathleen J. Curtin	Barbara M. Hadley
Betty T. Etten	Jeanne M. Holm
Elnora L. Garlow	Helen M. Horvath

Lois C. Jones
Doris E. Jordan
Bertha R. Kaeppel
Norma M. Loeser
Ruth A. Lucas
Mary C. Lynn
Ione C. Severson
Peggy J. Wier
Betty L. Woods
Helen C. Wyatt

The following-named persons for appointment in the United States Air Force in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law, 381, Eightieth Congress (Officer Personnel Act of 1947):

To be second lieutenants

Carey T. Harrison
Thomas A. Horst, Jr.
Norman C. Kramer
Harold S. Viall

IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of colonel, subject to qualification therefor as provided by law:

Bernard H. Kirk
George R. E. Shell
James H. Brower
Ernest R. West
Howard J. Turton
Thomas J. Colley
Walter Asmuth, Jr.
Alpha L. Bowser, Jr.
William K. Enright
Harvey C. Tschirgi
Lyle H. Meyer
Daniel W. Torrey, Jr.
Avery R. Kier
Thomas J. Noon
Warren E. Sweetser, Jr.
Wallace T. Breakey
Lewis H. Delano, Jr.
Jacob G. Goldberg
Robert O. Bisson
William K. Lanman, Jr.
Martin A. Severson
Herbert C. Freuler
John T. L. D. Gabbert
Ewart S. Laue
LeRoy Hauser
Richard W. Hayward
John O. Holmes
William F. Whitaker
William K. Pottinger
Robert L. Denig, Jr.
James C. Bigler
James G. Smith
Forest C. Thompson

The following-named officers of the Marine Corps for temporary appointment to the grade of colonel, subject to qualification therefor as provided by law:

Eustace R. Smoak
Sidney S. Wade
Guy M. Morrow
Paul E. Wallace
James F. Climie
James M. Masters, Sr.
William A. Kengla
Wilbur J. McNenny
Robert O. Bowen
James L. Beam
Joslyn R. Bailey
Ethridge C. Best
Donald W. Fuller
William M. Hudson
Edward L. Hutchinson
Reynolds H. Hayden
Clyde R. Nelson
Joseph L. Dickey
Elmore W. Seeds
Alexander G. Bunker
Jack R. Cram
Henry C. Lane
Hamilton D. South
Robert G. Ballance
John P. Condon
Ralph K. Rottet
Victor H. Krulak
George C. Ruffin, Jr.
Harold O. Deakin
Samuel R. Shaw
Henry W. Buse, Jr.
Robert E. Hommel
Frank C. Tharin
Harry W. G. Vadnais
John W. Sapp, Jr.
Lawrence B. Clark

The following-name officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel, subject to qualification therefor as provided by law:

George J. Waldie, Jr.
Paul S. Treitel
Clifford B. Drake
Charles R. Baker
Robert E. Snider
Robert H. Armstrong
Wallace H. Robinson, Jr.
Crawford B. Lawton
Marshall J. Hooper
Howard J. Rice
Hulon H. Riche
James O. Bell
Paul T. Johnston
Orville V. Bergren

The following-named officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel, for limited duty, subject to qualification therefor as provided by law:

Ira Brock
Edward J McCabe
Frederick Dykstra

The following-name officers of the Marine Corps for temporary appointment to the grade of lieutenant colonel, subject to qualification therefor as provided by law:

Walter F. Cornnell
Elliott Wilson
Bernard T. Kelly
Harry W. Taylor
Karl W. Kolb
Stoddard G. Cortelyou
William H. Souder, Jr.
Andre D. Gomez
George B. Kantner
Harry T. Milne
Tolson A. Smoak
Daniel S Pregnall
Robert J. Oddy
Virgil W. Banning
Richard W. Wyczawski
Fred J. Frazer
Franklin B. Nihart
Howard A. York
David Ahee
Edward V. Finn
Winsor V. Crockett, Jr.
Victor J. Croizat
Ernest C. Fusan
Charles E. Warren
Roy J. Batterton, Jr.
Earl E. Anderson
Robert D. Taplett
Wilson F. Humphreys
Victor J. Harwick
Earl A. Cash
Herbert F. Woodbury
Wade H. Hitt
Phillip B. May
Robert H. Houser
Paul M. Jones
Tillman N. Peters
Allen T. Barnum
Robert A. Merchant, Jr.
Walter L. Eddy, Jr.
Hugh J. Chapman
John E. Decher, Jr.
John L. Donnell
Leyton M. Rogers
Alexander R. Benson
John H. Jones
John F. Holt
Thomas J. O'Connor
Clyde P. Ford
Marlin C. Martin, Jr.
Robert D. Shaffer
Walter E Lischeid
Albert H. Schierman
William P. Kaempfer
Dale H. Heely
Elbert D. Graves
Kenneth C. Houston
William S. McLaughlin
Kermit C. Zieg
Frank E. Hollar
Charles J. Prall
Russell D. Rupp
Eugene H. Strayhorn
James "N" "M" Davis
John R. Bohnet
John A. Copeland
John L. O'Connell
Richard L. Boll
Robert D. Kennedy
Elbert S. Maloney, Jr.
Andrew I. Lyman
Finley T. Clarke, Jr.
Robert L. Smith
Clifton M. Craig, Jr.
Alfred L. Owens
Charles J. Bailey, Jr.
Gordon R. Lockard
Robert R. Davis
Joe B. Russell
Richard S. Johnson
Nathan C. Kingsbury

The following-named officers of the Marine Corps for permanent appointment to the grade of major, subject to qualification therefor as provided by law:

Robert S. Hudson
Howard W. Bollmann
Alexander M. Hearn
Dan H. Johnson
William H. Costello
Norman O'Bryan
Edmund W. Berry
Alton W. McCully
George U. Smith
James R. Dyer
Wilbur F. Evans, Jr.
Leslie J. Parnell
Alfred H. Peterson
Philip T. Kujovsky
Clarence T. Risher, Jr.
"J" "E" Estes
Henry Brzezinski
Joseph L. Abel
Kenneth B. Boyd
Edward H. Voorhees
Lester Miller
Richard E. Sullivan
Virgil T. Wills
Earl J. Stearns
Frank W. Harrington
Dave E. Severance
Harold E. Nelson
Frederick Simpson
Don P. Wyckoff
Sanford B. Hunt, Jr.
Thomas S. Witherspoon
John R. Stone
Douglas E. Haberlie
Robert Hall
Roy H. Elrod
William H. Nuckols, Jr.
William H. Rankin
James W. McIlwain

The following-named officers of the Marine Corps for permanent appointment to the grade of major, for limited duty, subject to qualification therefor as provided by law:

Cecil E. Anderson
Floyd M. McCorkle

The following-named officers of the Marine Corps for temporary appointment to the grade of major, subject to qualification therefor as provided by law:

Leo S. Maddy
Robert V. Burns
John S. Chambers, Jr.
Charles J. Keen
John D. Lines, Jr.
William E. Vorhies
Gilbert Percy
Thomas H. Hughes, Jr.
Eugene G. McIntyre
Austin Wiggins, Jr.
Robert W. Hengesbach
Joseph P. Lynch
Albert L. Clark
Gerard M. Shuchter
Edwin E. Shifflett
Paul H. Kellogg
James H. Phillips
Paul L. Pankhurst
Lynn E. Midkiff
Judson C. Richardson, Jr.
Charles H. Woodley
Richard Hey, Jr.
George P. Blackburn, Jr.
Ben L. Hoover
Edwin H. Simmons
Edgar D. Webber
David W. Bridges
George W. Carrington, Jr.
Thomas M. Fields
Richard H. Jeschke, Jr.
John P. McNeil
Ralph J. Parker, Jr.
Arthur M. Hale
Robert A. Scherr
Grover C. Williams, Jr.
John A. Hood
William E. Vance
Murray Ehrlich
John V. C. Young
Claude L. Whitlock
Leslie Menconi
Warren B. Partain
Steve J. Cibik
James L. Jones
Robert C. Woten
Warren H. Keck
James P. Treadwell
Elzia M. Cable
Robert E. Lorigan
Albert M. Roebuck
Donald V. Nahrgang
Harold T. Clemens
Roy H. Thompson
Robert S. Wilson
Michael F. Wojcik
John Marston, Jr.
Eugene J. Robinson
Dennis P. Casey
Samuel "C" Roach, Jr.
William L. Gunness
Robert L. Rathbun
Thomas J. Cushman, Jr.
John J. Windsor
Thomas M. Forsyth, Jr.
Willis L. Fairbanks
Robert F. Steinkraus
John Skinner, Jr.
Elswin P. Dunn
Robert H. Brumley
Oscar C. Hauge, Jr.
Walter W. Turner
William D. Armstrong
George M. Warnke
Wesley R. Christie
Charles H. LeClaire
George W. Ellis, Jr.
Fred E. Haynes, Jr.
William L. Bates, Jr.
Robert M. Calland

The following named officers of the Marine Corps for permanent appointment to the grade of captain, subject to qualification therefor as provided by law:

Lyle S. Stephenson
Hayward M. Friedrich
Joseph L. Boll
Earle W. Belknap, Jr.
George W. Poulson
Gilbert R. Templeton
Donald F. Draeger
Carl A. Doll
Boris J. Frankovic
Glennon A. Johnston
Alan B. Lemlein
Sam A. Dressin
James E. Victor, Jr.
Bruce A. Rushlow
Robert C. Knauf
Carlton K. Perkins
Cornelius Scheffer
Joseph L. Svejkosky
Berry P. McRobert
James W. Judy
Norman R. Stanford
Byron C. Turner
Gordon D. McPherson
James C. Camp, Jr.
Paul B. Watson, Jr.
Robert L. Allen
John W. Beckett, Jr.
Arthur D. Challacombe, Jr.
George R. Rupp
Kenneth G. Meyer
Jack H. Wilkinson
Roy L. Anderson
Howard L. Hean
Clarence W. Tuxbury
Dale W. Hansen
Robert T. Bell
Deane M. Barnett
Norman W. Gourley
Guy M. Cloud
Jesse T. Hastings, Jr.
Walter E. Carr
James C. McFerran III
William Biehl, Jr.
Godfrey Muller
Wayne Johnson
Thomas T. Tulipane
John F. Driftmier
Henry Mayer
Erskine B. Crew
Gordon I. Feid
Otis W. S. Corman
Jerry E. A. Miller
Charles S. Brown
William P. Elzey, Jr.
James C. Riffle
Ernest J. Berger
Earl H. Falk
John J. McShane
Paul L. Robinson
Emil Skocpol
Robert L. Simmons
George B. Farish
William D. Smart
John R. Brodrick
Albert T. Lavers
Christopher M. Canan
William "S" McCaslin, Jr.
Roy C. Gray, Jr.
Ralph E. Bowen
Edward L. Lewis, Jr.
Elmer R. Daniels, Jr.
Francis E. Blake
Robert A. Owens
Edward J. Miller
Arthur L. LaRoche, Jr.
Walter E. Trantham, Jr.
John J. Howe
Edward J. Artnak
George L. Haggerty
Charles S. Vonhorn
William E. Lesage
Charles I. Campbell, Jr.
Robert I. Nelson
William E. Swetnam
Nolan E. Tucker
William F. Simpson, Jr.
Fred B. Rogers

The following-named officers of the Marine Corps for permanent appointment to the grade of captain for limited duty, subject to qualification therefor as provided by law:

Woodrow W. Brown
Virgil R. Martin
Adolph J. Kutilek

The following-named officers of the Marine Corps for temporary appointment to the grade of captain, subject to qualification therefor as provided by law:

James M. Jefferson, Jr.
Vivian M. Moses
Henry K. Bruce
Phillip G. Dyer

81ST CONGRESS
1ST SESSION

H. R. 4177

IN THE SENATE OF THE UNITED STATES

JULY 28 (legislative day, JUNE 2), 1949
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. MORSE to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, viz:

On page 12, before the period in line 16, insert a comma and the following: "or for the compensation or expenses of any member of a board of examiners who has not filed an affidavit that he is not, and within the fiscal years 1948 or 1949, has not been, pecuniarily or otherwise interested in any proceeding before any agency (as defined in section 2 of the Administrative Procedure Act), or any other proceeding to which the United States is a party".

7-28-49——G

81ST CONGRESS
1ST SESSION

H. R. 4177

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JULY 28 (legislative day, JUNE 2), 1949
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81ST CONGRESS
1ST SESSION

H. R. 4177

IN THE SENATE OF THE UNITED STATES

JULY 28 (legislative day, JUNE 2), 1949
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On page 10, before the semicolon in line 12, insert a comma and the following: "which are not available in the Federal service".

7-28-49——F

81ST CONGRESS
1ST SESSION

H. R. 4177

AMENDMENT

Intended to be proposed by Mr. MORSE to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

JULY 28 (legislative day, JUNE 2), 1949
Ordered to lie on the table and to be printed

accord on some method by which we could consider this bill in the Senate and pass it. We want to pass it. The committee is tremendously interested in getting this bill passed as soon as possible. The committee did not send it back to the committee, but the whole matter was precipitated by my good friend the Senator from Illinois [Mr. LUCAS], when he took the position he did about the bill.

Mr. President, ordinarily appropriation bills go through promptly, as all Senators know. For instance, let us consider for a moment the independent offices appropriation bill, now the unfinished business. Ordinarily it is passed by the Senate in approximately 30 or 35 minutes. But this time it was argued all day, day before yesterday, and all day yesterday, up until a late hour last night; and it is not yet through the Senate. I do not know what trouble has arisen.

I appeal to my brother Senators to have some consideration for the Appropriations Committee, which is trying its best to do its duty faithfully and well. That is all we want.

We think all these questions might easily be voted upon and that we might agree to some procedure regarding them.

I wish to say that my friend the Senator from New Hampshire [Mr. BRIDGES], who preceded me as chairman of the commlttee, has been in hearty cooperation in the endeavor to work out a settlement. The other members of the committee have, for the most part, joined in trying to work out a settlement. We are not trying to impinge upon the rights of other committees at all. I hope that even yet some method can be decided upon so as to get this measure on the statute books.

The VICE PRESIDENT. By unanimous consent, if that may be given, the Chair would like to add an observation in regard to the effect of sending the bill back to the committee. Incidentally, the Chair would like to commend the Senator from Tennessee and all other members of the committee for their industry and hard work on the committee. The Chair thinks that committee is one of the most, if not the most, industrious and hard working committees in the Senate or in any other body.

The effect of sending the bill back to the committee under this rule is to place it in the same status it occupied before it ever was reported to the Senate in the first place. When it returns to the Senate, it returns de novo; everything which has been done on it in the Senate heretofore or was in process of being considered by the Senate is undone because of the procedure of sending it back to the committee. All amendments which were agreed to are then disagreed to, and must be acted on again when the bill is returned to the Senate.

The Chair is not passing on the question of the motion of the Senator from California to reconsider the vote by which the Chair's ruling the other day was overturned, although on the surface it would seem to be an academic question at this time, because when this bill returns to the Senate it returns under the same circumstances as those which surrounded it when it was first reported to the Senate. It must be considered again, page by page, just as it was in the first place.

The Chair suggested the other day a remedy for this situation, which he may have been presumptuous in suggesting. It was a very simple one, namely, that the bill be brought back to the Senate without the amendments. That has been done before; when a bill was returned to the committee, the committee reported it again, but without the amendments; and they were offered ad seriatim from the floor; and points of order were decided against them individually. That avoids the danger of having the bill returned to the committee again for the same reason which compelled its return this time.

Mr. BYRD. Mr. President, I wish to have my good friend, the Senator from Tennessee [Mr. MCKELLAR], the chairman of the Appropriations Committee, whom I love very dearly, understand that I made no criticism whatsoever of the Appropriations Committee. That committee has a perfect right to bring in an amendment proposing new legislation on an appropriation bill, provided the committee moves to suspend the rule and to have a two-thirds vote taken on that question. So what I said is no criticism whatever of the committee. I admire the committee. The committee has done fine work, and especially has my friend the Senator from Tennessee, the able chairman of the committee.

My purpose is only to preserve the rules of the Senate. That is why I made the objection.

The VICE PRESIDENT. Objection having been made, the proposed unanimous-consent agreement is not agreed to.

Mr. LUCAS. Mr. President, I should like to say a word in regard to what the Senator has just said. We have made some progress on the ECA appropriation bill. In the opinion of a great many Senators, the fact that there was no disagreement on the amendment providing for a 10-percent cut, which amendment was adopted, is very significant, for that is the most important concession which has been made on this bill in the Senate.

So far as I am concerned and, I think, so far as all other Members of the Senate interested in this measure are concerned, we shall go along with what the Senate has done up to the McClellan amendment. In other words, I can assure the Senator from Tennessee that if the bill as next reported includes the work we have done thus far, up to the point of the McClellan amendment, I am certain it will be concurred in by the Members of the Senate.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the executive office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from New Hampshire [Mr. BRIDGES] to the commlttee amendment on page 38, line 9. On this question the yeas and nays have been ordered, and the Secretary will call the roll.

Mr. O'MAHONEY. First, Mr. President, I should like to say that when we recessed last night, we were discussing the amendment with respect to the Housing Expediter. The debate which was occurring when we took the recess last evening revolved around the question of what extent decontrol had proceeded throughout the country under the Rent Control Act of 1949.

The chairman of the subcommittee pointed out that the committee, having before it a new budget estimate, had reduced that estimate by a flat 10 percent.

We pointed out the testimony of the Housing Expediter that there had been only a few decontrol orders, and that those orders affected fringe communities, and that they would not involve very many employees.

The distinguished Senator from Alabama [Mr. SPARKMAN], who had charge on the floor of the Rent Control Act of 1949, was explaining the provisions which had been written into that act; and it was agreed among us, as the recess was taken, that perhaps it would be of great value if inquiry were made of the Housing Expediter for the latest information with respect to the progress of decontrol.

That information is now before us. There has been only a slight expansion of decontrol. The savings which are estimated to be accomplished by the dismissal of employees not needed to carry on the work amount to less than $700,000. By means of the 10-percent reduction the committee has already made a saving of more than $2,700,000; that is to say, we have made a reduction of $2,000,000 in excess of the saving which could be accomplished by the reduction of personnel.

The Senator from Alabama has been in personal conference with the officials of the Office of the Housing Expediter, and I am sure he is prepared to discuss for the Members of the Senate the facts which have been presented to us.

Mr. SPARKMAN. Mr. President, in keeping with the suggestion made before we recessed last night by various Members of the Senate, and more particularly by the Senator from Florida [Mr. HOLLAND] who is now the Presiding Officer, I got in touch this morning with the Office of the Housing Expediter and asked for the very latest information as to decontrol actions that have been taken. By the way, at the time the hearings were held, 108 decontrol actions had been taken, involving, according to the testimony in the hearings at that time, 79 employees. To this date, the number of employees involved is 200. So, in line with the suggestion the Senator from Wyoming has just made, not only did the $2,500,000 cut which was made by the committee cover the $666,000 in savings which will be effected by reason of the reduction of the 200 employees, but there was taken into consideration at that time nearly half this number, because 79 had already been let out, and I think it is reasonable for us to assume that nothing was included in the budget estimate as presented by the Expediter

at that time, for those 79. However, Mr. President, moving on, I should like to refer to the offices that have been closed to this date.

Mr. BYRD. Mr. President, will the Senator yield on that point?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Virginia?

Mr. SPARKMAN. I yield.

Mr. BYRD. The Office of the Housing Expediter, on May 31, 1948, had 4,569 employees, and on May 31, 1949, 4,916. The bill provides 5,500, an increase of 600, without budget authorization, and without any protest being made by the House of Representatives. Is that correct?

Mr. SPARKMAN. I do not understand the Senator's reference to the budget authorization. There certainly was budget authorization in the request.

Mr. BYRD. I mean the recommendation.

Mr. SPARKMAN. Oh. Yes, when the request was presented to the Senate committee, it was presented with a budget clearance, as I understand, for 1,543 additional employees.

Mr. BYRD. There would be a total employment of 5,500; is that correct?

Mr. SPARKMAN. It would be a total of 5,500; that is correct.

Mr. BYRD. Did the Bureau of the Budget approve that?

Mr. SPARKMAN. That is correct.

Mr. BYRD. But does this increase by 600 employees the number provided through the action of the House?

Mr. SPARKMAN. This was not before the House at all. This was a supplemental estimate.

Mr. BYRD. I understand, but it increases the number of employees, compared to the number in the House bill, by 600, does it not?

Mr. SPARKMAN. That is correct, because this increase was not before the House. There was no budget estimate in it at that time.

Mr. BYRD. I was wondering why the employees could not be transferred from some other department. We are adding 300 a day, every day in the year, which adds to the pay roll about $1,500,000 a day. If 600 more were needed, as indicated by the bill, why could they not be transferred, if they are not needed, from some other bureau?

Mr. SPARKMAN. Of course, that question is not involved here.

Mr. BYRD. The Bureau of the Budget has the right to make the transfers.

Mr. SPARKMAN. The question involved here is whether this number of employees should be authorized for this particular agency. The purpose of my discussion is to show why the increase is needed. As I stated last night before we recessed, it is not an arbitrary increase requested by the Housing Expediter. It is an increase which Congress itself directed him to make. In the Rent Control Act of this year, we directed him to have a man in every rent-control office to assist landlords, small landlords in particular, in filing their claims, and to assist tenants. That calls for 508. We likewise amended the law with reference to evictions, and directed the Housing Expediter to tighten up on the control of evictions. In order to carry out that mandate of Congress, he has recommended the addition of 815 employees, who, he says, will be required.

There was considerable criticism in the course of the hearings, because surveys had not been made throughout the country as frequently as they should have been. Members of the committee insisted such surveys be made every quarter, and the Housing Expediter was pretty severely criticized in the matter. He is asking for 28 employees for the purpose of making those surveys, I might go on, to break it down, to show the total number requested.

But, Mr. President, getting back to the decontrol actions which have been taken, let me say, in region 1, no offices have been closed. In region 2, none have been closed. In region 3, none have been closed. In region 4, 10 offices have been closed, involving 49 employees, with a total saving for the fiscal year 1950 of $171,974. In region 5, there have been 25 offices closed, 69 employees affected, with a total savings for the fiscal year of $234,074. In region 6, there have been three offices closed, with seven employees affected, and with a total savings of $27,578. In region 8, five offices have been closed, with 32 employees affected, and with a total savings of $113,750. Since this statement was made up, four additional offices in region 4 have been closed, with 14 employees involved, and with a total savings of $47,456. That makes a total of 47 offices closed, with 171 employees affected, and with a total savings of $594,832.

Only this morning we were informed of additional offices which are to be closed. Those matters are pending. In Kansas, there are two, at Great Bend and Arkansas City, involving three employees in the first, two in the second. In Oklahoma there are six—at Stillwater, Shawnee, Ponca City, Muskogee, Enid, and Ada, each affecting two employees. In Utah, Provo City, two employees. In the State of Washington, Spokane, 10 employees. That gives a total of 29 employees, with a total savings of $71,289, which brings the grand total to 200 employees affected, with a savings of $666,112.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CAIN. I wanted to inquire whether the Senator has just made reference to the fact that the Spokane office is shortly to be closed.

Mr. SPARKMAN. That is true; with 10 employees to be affected, and with a savings of $38,992.

Mr. CAIN. I thank the Senator.

Mr. SPARKMAN. In addition to that, Mr. President, there are these pending actions:

Dade County, Fla., by State legislature action, effective September 1, 1949.

Topeka, Kans., effective September 14, 1949.

Dallas County, Tex., effective September 14, 1949.

Orange County, containing Laguna Beach—I assume that must be California—effective October 1, 1949.

Austin, Tex., effective September 1, 1949.

Jacksonville, Fla.—the effective date is not given—and St. Augustine, Fla.

Those include all the actions planned for any early date.

Mr. President, I have been given a list of every decontrol action which has been taken, with its effective date. I think it might be informative to the Senate to have it placed in the RECORD at the end of my remarks, and I ask unanimous consent that that be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SPARKMAN. There is a breakdown showing in detail the number of employees in each individual office, together with the amount of savings, as well as the total. I ask unanimous consent that the table be placed at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. SPARKMAN. Mr. President, I said last night that the Office of the Housing Expediter had been pretty well overrun with work since the enactment of the rent-control law this year. I stated that Mr. Woods had said that within the first 6 weeks, as I recall, of the life of the new law over a million applications had been given out for adjustments. We proposed that expeditious consideration should be given to those applications and that early action should be taken on them, and with that in mind we said that in each office there should be an employee who would have the explicit job of helping landlords to make out their applications.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CAIN. I have been impressed by the fact that since the law of 1949 became effective, more than a million forms for adjustments of rent in one way or another have been submitted throughout the country. Will the Senator from Alabama inform the Senate how many of those forms have been returned to the Office of the Housing Expediter for action? I think therein lies the substance of this controversy at the moment.

Mr. SPARKMAN. I cannot say how many have been submitted, but I have a statement which shows the number for May and June; and, as the Senator will recall, the so-called fair net operating income formula was not put into effect until the early part of May; I think it was May 2, but I am not sure.

Mr. CAIN. May I ask the Senator how many applications were submitted during the months to which he has just referred?

Mr. SPARKMAN. There were 33,034.

Mr. CAIN. I have been told, and I stand ready to be corrected, that 33,000 returned forms represent all the forms which have been submitted to the Office of the Housing Expediter, which indicates that we are not very much concerned with the million forms which were dispatched and sent out to tenants and landlords, but we are concerned with the workload resulting from those forms

which have been submitted, properly filled out. I submit that 33,000 do not represent a very heavy work load.

Mr. SPARKMAN. Mr. President, that number represents the number submitted during the months of May and June to the various area offices. Of that number, by June 25, 10,000 had been processed. A total of 2,270, or 22.6 percent, were granted, with an average monthly increase of $11.42.

Mr. President, I ask unanimous consent that a statement from the Office of the Housing Expediter, giving an analysis of petitions for rent increases under the fair net operating income formula, with tables attached, be included in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. SPARKMAN. Mr. President, I should like to remind the Senator from Washington of something he said in the course of the hearings. Mr. Dupree, who was testifying before the subcommittee for the Housing Expediter's office, read to us the language which had been proposed by the House committee in reporting the bill, in which it was proposed to establish this assistance. I am reading from page 126 of the hearings, if the Senator would like to follow it. The language is exactly the same as that which was adopted in the Senate bill, which was agreed to in the conference report, and as the President signed it. After it was read, the Senator from Washington said this:

> Senator CAIN. Mr. Dupree, on paper, that is a marvelous series of words. Now we have to find a way to make it work, because I am reminded of the fact that in your radio script you thought there was one such person to conduct a survey in each of the areas covered in this bill, but that they were there in name only. I tell you that here is one Senator who would vote any amount of money if there is to be a law to put enough people on to do that.

That is all in the world we are asking for here.

By the way, with reference to the survey question, as to which the request is for 28 persons to be employed, I should like to remind my friend, the Senator from Washington, of the very thorough going-over he gave Mr. Woods, as may be seen from page 86 through page 92 of the hearings, because Mr. Woods had not made a survey of each rental area in the United States each 3 months, as he had expressed the hope that he might be able to do if Congress should give him a sufficient number of employees. He is now asking for 28 employees to enable him to do what the Senator from Washington was insisting that he do.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. SPARKMAN. Yes; I yield.

Mr. CAIN. The Senator from Alabama has called to my attention some testimony with which I remain most familiar. What I am extremely conscious of is that the junior Senator from Washington and other Senators interrogated Mr. Woods, the Federal Housing Expediter, very closely because Mr. Woods, through one of the branches of his organization—what I would term his "radio propaganda division," had told the American people, through radio scripts distributed all over America, that such surveys as those to which the Senator from Alabama has just referred had in fact been made, when the evidence submitted was that they had not been made. We were determined to find out from Mr. Woods why he had told the people of the country that the Housing Expediter's office was providing service which, in fact, was not being extended to the tenants and landlords of America.

Let me add to my friend, the Senator from Alabama, that I was as serious at that time as I am now, when I said to Mr. Woods:

> I will vote any amount of money which is required to give good service under the coming Rent and Housing Act of 1949.

Although I may be wrong, my considered judgment at this time, after studying the testimony which was submitted to the Appropriations Committee, and remembering the testimony which was submitted to the Banking and Currency Committee, is that the Office of the Housing Expediter can do both an adequate and competent job in 1949 if the pending amendment is adopted.

Mr. SPARKMAN. Mr. President, I wish to correct the RECORD with reference to what the Senator from Washington said. In the radio script to which he refers, Mr. Woods did not say the surveys had been made, but that under their program they hoped to make them every quarter. If the Senator remembers, Mr. Woods told us that he had to give up that hope because he was not able to get the amount of personnel it was necessary to have in order to do it. The Senator from Washington criticized him rather severely for not having made the survey.

Mr. CAIN. Mr. President, I am certain that the Senator from Alabama and I are not far apart in this particular instance. I recall again that in a very definite way I was critical of Mr. Woods for having in that instance told the American people who listened to the radio that he was going to do something without having the means with which to do it, or without having turned to the Congress for the moneys which were required to accomplish the objective he told everyone who cared to listen would be met by his office.

Mr. SPARKMAN. Mr. President, I do not wish to belabor this point, but I believe that in the interest of accuracy in this matter it would be well for me to read into the RECORD the statement Mr. Woods made. He said:

> And to that effect I might add that, in our getting ready for our budget presentation, and in lining up the duties and functions of our field, we are getting instructions ready to tell them that where formerly it was customary to make a 6-month survey of every defense-rental are for decontrol purposes, they must arrange their staff and make arrangements to cut that time in half, so that we will have a current decontrol survey on every area in the country, regardless of whether we have a board there or not, and that is to be done every 3 months.

I call attention to the fact that in the very beginning he based his statement upon the budget presentation, and in the testimony he gave us he said he did not get the required personnel.

Mr. BRICKER. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. HOLLAND in the Chair). Does the Senator from Alabama yield to the Senator from Ohio?

Mr. SPARKMAN. I yield.

Mr. BRICKER. I note that at the end of this section dealing with the Housing Expediter there is this provision:

> *Provided,* That as to cases involving the functions transferred to the Office of the Housing Expediter by Executive Order 9841, section 204 (e) of the Emergency Price Control Act of 1942, as amended, shall be considered as remaining in full force and effect during fiscal year 1950.

I turn to Executive Order 9841 and find no section 204 (e). There is a section 204 which says that "Executive Order No. 9765 of March 15, 1946, as modified by Executive Orders Nos. 9726 and 9809, is revoked."

It is not clear in my mind just the meaning of that proviso. I wonder if the Senator can explain it.

Mr. SPARKMAN. I am not a member of the Committee on Appropriations, and I was not familiar with the language the Senator has pointed out.

Mr. BRICKER. Unless I misinterpret the language, it is practically meaningless.

The PRESIDING OFFICER. If the Chair may suggest to the Senator from Ohio, the Chair thinks that "section 204 (e)" is coupled with the Emergency Price Control Act.

Mr. BRICKER. Rather than Executive Order 9841? It says "cases involving the functions transferred to the Office of the Housing Expediter by Executive Order 9841, section 204 (e)"—

The repeal of the former Executive order might be considered that transfer, and I wanted it explained.

Mr. O'MAHONEY. Mr. President, this was exactly the language which was in the bill a year ago.

Mr. BRICKER. I do not know what was in the bill a year ago.

Mr. O'MAHONEY. This is it.

Mr. BRICKER. But I do not know the meaning of it. I wonder if the Senator will explain it.

Mr. O'MAHONEY. Let us read it:

> *Provided,* That as to cases involving the functions transferred to the Office of the Housing Expediter by Executive Order 9841, section 204 (e) of the Emergency Price Control Act of 1942, as amended, shall be considered as remaining in full force and effect during fiscal year 1950.

Mr. BRICKER. Now I turn to that Executive order, which brings up the question I had in mind. There is no section 204 (e) in it.

Mr. O'MAHONEY. No; there are two things which are mentioned, the Executive order, and section 204 (e) of the Price Control Act of 1942.

Mr. CAIN. Mr. President, would the provision to which the Senator is presently addressing himself have anything

to do with the veterans' emergency housing program which the Office of the Expediter was charged by law with administering and protecting in the last several years?

Mr. SPARKMAN. While the Senator from Wyoming is looking something up, I may say I think this proviso has to do with several cases which had been started, fraud cases, perhaps, in the administration of the Veterans' Act. This keeps alive those prosecutions. I think that is the explanation.

Mr. CAIN. Mr. President, if I may make an observation to the Senator from Wyoming and the Senator from Alabama, I think the Senator from Ohio has a valid point, because I have been led to believe that the responsibility of the Office of the Housing Expediter with reference to the veterans' emergency housing program is in liquidation, and that his responsibilities as of now are extremely minor.

Mr. SPARKMAN. That is true. Yet I believe that in the hearings on the pending bill the Expediter testified that there were, I think, 855 cases. I will not vouch for the figure offhand.

Mr. CAIN. I think that if the Senator from Alabama will turn to page 1065 of the hearings on the independent offices appropriation bill for 1950 he can read Mr. Woods' reflections on this subject, which indicate that the OHE has no further responsibility under the program.

Mr. SPARKMAN. That is true, and if the Senator will go on down the page to Mr. Madigan's testimony, near the bottom of the page, he will find this language:

> This deduction here for this veterans' program is really a nonrecurring item and we are taking it out so as to come down to a base figure. We will not have that in the next fiscal year, as Mr. Woods indicated earlier, except for this 895 uncompleted cases.

Mr. CAIN. They are merely cleaning it out, then, as I understand, and after they get rid of the 855 cases they will liquidate their responsibility.

Mr. SPARKMAN. That is correct.

Mr. CAIN. I thank the Senator.

Mr. SPARKMAN. My understanding is that the language referred to here keeps alive those cases as to which there may be complaints or prosecutions already begun or to be begun. It merely prolongs the life of them so as not to jeopardize the rights of either side.

Mr. CAIN. That happens to be my understanding, but I thought the Senator from Ohio had a natural inquiry on that point.

Mr. SPARKMAN. It seems to me that the confusion arises from the fact that there is merely a comma after the executive order number, when probably there should be the word "and."

Mr. BRICKER. The Senator from Wyoming has explained it to me.

Mr. SPARKMAN. If the Senator from Ohio did not understand, I think we have it cleared up, that it relates to the pending claims and complaints with reference to veterans preference cases.

Mr. BRICKER. I understand that is the subject matter, but as the bill now reads it is practically meaningless unless the word "and" is inserted.

Mr. SPARKMAN. I agree with the Senator that the word "and" certainly shall be in it.

Mr. President, I have no inclination to prolong the debate on the amendment. I wish to add merely that we have passed a rent-control law which we hope may have a reasonable opportunity to function in the way in which we intended it should, that is, to give relief in the cases where relief is needed, to give protection to tenants who might otherwise be evicted, and also to make surveys so that decontrol can be put into effect where it should be.

I submit to the Senate that in the hearings before the committee Mr. Woods told about the Decontrol Act, the number of employees who are already being let off, the number he anticipated letting off, and whereas he estimated the new employees at that time to be 1,543, as brought out by the distinguished Senator from Virginia a few minutes ago, the total increase amounts to only about 600 over and above what the House agreed to. This particular new matter was not before the House committee at all. The committee even following that reduced the total amount to go to the Expediter's office by 10 percent. I believe the office has had a fair cut, and that the Expediter ought to be given this minimum number of employees in order that the rent-control law may be allowed to function as the Congress intended that it should function.

EXHIBIT 1

Decontrol actions, Office of the Housing Expediter, by States, counties, defense-rental areas, and principal cities, Apr. 1 to July 28, 1949

State	County	Defense-rental area	Principal cities	Action	Effective date
					1949
Alabama	Pike	Troy	Troy	Agency initiative	Apr. 1
Arizona	Cochise	Fort Huachuca	Bisbee, Lowell	do	Apr. 8
	Coconino	Prescott-Flagstaff	Flagstaff, Williams	do	Apr. 5
	Gila	Phoenix-Salt River	Miami, Globe	Rent advisory board recommendation; agency initiative.	Apr. 2
	Mohave	do	Kingman	Agency initiative	Apr. 8
	Navajo	Winslow	Winslow, Holbrook	do	Do.
	Pima	Tucson	Tucson	Local option	June 16
	Santa Cruz	Fort Huachuca	Nogales	Agency initiative	Apr. 8
	Yavapai	Prescott-Flagstaff	Prescott	do	Do.
	Yuma	Yuma	Yuma	do	Do.
Arkansas	Calhoun	Camden	Hampton	do	Apr. 5
	Camden	do	Camden	Local option	June 6
	Dallas	do	Fordyce	Agency initiative	Apr. 5
	Garland	Hot Springs	Hot Springs	do	June 24
	Independence	Walnut Ridge	Batesville	Local option	July 7
	Lonoke	Little Rock	Lonoke	Rent advisory board recommendation; agency initiative.	Apr. 26
	Nevada	Camden	Prescott	Agency-initiative	Apr. 5
	Prairie	Pine Bluff	DeValls Bluff	do	Do.
	Pulaski	Little Rock	Little Rock	Rent advisory board recommendation; agency initiative.	Apr. 26
	Saline	do	Benton	do	Do.
	Hot Springs	Malvern	Malvern	Agency initiative	July 28
California	Marin	San Francisco Bay		do	Apr. 8
	Sonoma	do		do	Do.
	San Bernardino	San Bernardino		do	Do.
	Los Angeles	Los Angeles	City of Covina only	Local option	July 26
Florida	Bradford	Starke	Starke	Agency initiative	May 5
	Brevard	Banana River	Titusville, Melbourne	do	Apr. 5
	Broward	Fort Lauderdale	Fort Lauderdale, Hollywood	Local option	June 24
	Dade	Miami	Miami Beach, Coral Gables	do	June 8
	Hillsborough	Tampa	Tampa	State legislature	July 5
	Jackson	Marianna	Marianna	Agency initiative	May 6
	Polk	Polk	Lakeland	State legislature	July 7
	Palm Beach	Palm Beach	West Palm Beach, Lake Worth	Local Option	June 9
	Pinellas	St. Petersburg	St. Petersburg	Agency initiative	May 5
	St. Lucie	Fort Pierce	Fort Pierce	do	July 13
	Seminole	Sanford	Sanford	do	June 30
	Volusia	Daytona Beach	Daytona Beach	do	May 13
Georgia	Colquitt	Moultrie	Moultrie	Local option	June 16
	Grady	Bainbridge-Cairo	Cairo	Agency initiative	Apr. 5
	Peach	Macon	Fort Valley	do	Do.
	Spalding	Griffin	Spalding	do	Do.
	Sumter [1]	Americus	Sumter	do	Do.
	Thomas	Thomasville	Thomasville	do	Do.

Footnotes at end of table.

Decontrol actions, Office of the Housing Expediter, by States, counties, defense-rental areas, and principal cities, Apr. 1 to July 28, 1949—Continued

State	County	Defense-rental area	Principal cities	Action	Effective date
					1949
Idaho	Ada	Boise	Boise	Rent advisory board recommendation; agency initiative.	Apr. 28
Illinois	Coles (portion)	Mattoon		Agency initiative	Apr. 5
	Jefferson (portion)	Mount Vernon		do	Do.
	Logan (portion)	Springfield-Decatur		do	Do.
	Morgan (portion)	do		do	Do.
Indiana	Huntington (portion)	Anderson		do	Apr. 1
	Wabash (portion)	do		do	Do.
	DeKalb (portion)	do		do	Do.
	Grant	do	Marion	Local option	June 16
	Lawrence (portion)	Columbus		Agency initiative	Apr. 1
	Monroe (portion)	Bloomington		do	Do.
	Shelby (portion)	do		do	Do.
	Johnson	Columbus	Franklin	Local option	July 27
	Wabash	Anderson	Wabash	do	July 28
Iowa	Cerro Gordo (portion)	Mason City		Agency initiative	Apr. 8
	Jefferson (portion)	Fairfield		do	Do.
	Webster (portion)	Fort Dodge		do	Do.
Kansas	Montgomery	Parsons	Independence-Coffeyville	Local option	May 6
	Barton	Great Bend	Great Bend	do	June 30
	Douglas (effective Sept. 14, 1949).	Topeka-Lawreuce	Lawrence	do	July 13
	Ford	Dodge City	Dodge City	do	July 8
	Franklin	Topeka-Lawrence	Ottawa	do	June 10
	Gray	Dodge		Agency initiative	July 8
	Lyon	Emporia	Emporia	do	July 5
	McPherson	Salina	McPherson	do	June 24
	Dickinson	do	Abilene	do	Do.
	Riley	Junction-Manhattan	Manhattan	do	Do.
	Shawnee (effective Sept. 14, 1949).	Topeka-Lawrence	Topeka	Local option	July 13
	Soutb Hutebinson (city) Reno	Hutchinson	Hutchinson	do	June 15
	Neosho	Chanute	Neodesha	do	Juno 7
	Wilson	do		Agency initiative	Do.
	Cowley	Butler-Cowley	Arkansas City	Local option	July 20
	Russell	Great Bend	Russell	do	July 23
	Stafford	Stafford	Stafford	Agency initiative	Do.
Kentucky	Mercer (portion)	Harrodsburg		do	Apr. 8
	Scott (portion)	Frankfort		do	Do.
	Trigg	Clarksville, Tenn	Cadiz	do	July 13
Louisiana	Rapides Parish	Alexandria-Leesville	Alexandria	Rent advisory board recommendation; agency initiative.	Apr. 25
Maine	Wasbington	Eastport		Agency initiative	June 23
Maryland	Allegbany	Cumberland	Cumberland	do	Apr. 5
	Anne Arundel (portion)	Baltimore		do	Do.
	Calvert (entire)	Patuxent		do	Do.
Michigan	Dickinson	Escanaba-Marquette	Iron Mountain	do	Do.
	Marquette (portion)	do		do	Do.
	Eaton (portiou)	Lansing		do	Do.
	Gogebic	Ironwood		do	Do.
Minnesota	Blue Earth (portion)	Mankate		do	Apr. 8
	Brown (portion)	New Ulm		do	Do.
	Frechorn (portion)	Albert Lea-Faribault		do	Do.
	Olmstead (portion)	Rochester		do	Do.
	Otter Trail	Fergus Falls	Fergus Falls	do	Do.
	Rice	Albert Lea-Faribault		do	Do.
	Steele	do		do	Do.
	Wescea	do	Weseca	do	Do.
	Mower	Austin		do	Do.
Mississippi	Gulfport (city) Harrisou	Biloxi-Pascagoula	Gulfport	Local option	July 7
	Harrison (portion)	do		Agency initiative	May 48
	Jackson	do	Pascagoula	do	Apr. 25
	Ocean Springs (city) Jackson	do	Ocean Springs	Local option	July 7
Massachusetts	Plymouth	Eastern Massachusetts	Towns of Lakeville, Carver, Marion, and Rochester only.	Agency initiative	July 18
Nebraska [2]					
Nevada	Clark (portion)	Las Vegas		do	June 29
New Jersey	Burlington (portion)	Southern New Jersey		Agency initiative	Apr. 1
New Mexico	Eddy, city of Artesia	Carlsbad	Artesia	Local option	June 6
	Lea	do	Hobbs	do	June 15
	Roosevelt	Clovis	Fortales	do	June 24
Nortb Carolina	Granville	Oxford	Oxford	Agency initiative	Apr. 5
	Henderson	Hendersonville	Hendersonvillo	do	Do.
	Iredell	Salisbury	Statesville	do	Do.
	Perquimans	Elizabeth City	Hartford	do	Do.
	Richmond	Laurinburg	Rockingham	do	Apr. 8
	Robeson	do	Lumberton	do	Do.
	Scotland	do	Laurinburg	do	Apr. 5
	Vance	Henderson	Henderson	do	Do.
North Dakota	Burleigh (portion)	Bismarck-Mandan		do	Do.
	Cass (portion)	Fargo-Moorhead		do	Do.
	Clay (Minn.) (portion)	do		do	Do.
	Grand Forks (portion)	Grand Forks		do	Do.
	Morton (portion)	Bismarck-Mandan		do	Do.
	Stutsman (portion)	Jamestown, N. Dak		do	Do.
Oblo	Darke	Dayton	Greenville	do	Apr. 8
	Delaware (portion)	Delawaro County		do	Do.
	Huron (portion)	Sandusky-Port Clinton		do	Do.
Oklahoma	Atoka	McAlester	Atoka	do	June 23
	Caddo	Oklahoma City	Anadarke	do	June 15
	Canadian	do	El Reno	Local option	Do.
	Craig	Chateau	Vinita	do	July 8
	Creek	Tulsa	Bristow	do	Do.
	Grady	Oklahoma City	Chickasha	do	June 7
	Haskell	McAlester		Agency initiative	Juue 23
	Hugbes	do	Holdenville	Local option	Do.
	Kay-Ponca City	Ponca City	Ponca City	do	July 8
	Latimer	McAlester	Wilburtou	Agency initiative	June 23
	McIntosh	do	Enfaula	do	Do.
	Muskogee	Muskogee	Muskogee	Local option	July 14
	Oklaboma, city of Bethany	Oklahoma City	City of Bethany	do	Do.
	Payne, city of Cushing	Stillwater	Cushing	do	June 23
	Pittsburgh	McAlester	McAlester	do	May 23
	Pontotac	Ada	Ada	do	July 8

Footnotes at end of table.

Decontrol actions, Office of the Housing Expediter, by States, counties, defense-rental areas, and principal cities, Apr. 1 to July 28, 1949—Continued

State	County	Defense-rental area	Principal cities	Action	Effective date
					1949
Oklahoma—Con.	Pottawatomie	Shawnee	Shawnee	Local option	July 14
	Seminole, city of Maud, city of Wewoka.	Ada	Wewoka	do	Do.
	Tillman	Frederick	Frederick	do	Do.
	Texas	Guymon	Guymon	do	July 18
	Payne	Stillwater	Stillwater	do	July 27
	Garfield	Enid	Enid	do	Do.
	McClain	Oklahoma City	Purcell	do	Do.
Oregon	Benton (portion)	Corvallis		Agency initiative	Apr. 5
	Clatsop (portion)	Portland-Vancouver		do	Do.
	Douglas (portion)	Douglas		do	Do.
	Lane (portion)	Lane County		do	Do.
	Linn	Corvallis		do	Do.
	Tillamook	Portland-Vancouver	Tillamook	do	Do.
	Willamette (portion)	Salem		do	Do.
Pennsylvania	Butler (portion)	Altoona-Johnstown		do	Apr. 8
	Fayette (portion)	Pittsburgh		do	Do.
	Greene (portion)	do		do	Do.
	Somerset (portion)	do		do	Do.
	Washington	do	Washington	do	Do.
South Carolina	Colleton	Charleston	Walterboro	do	Do.
	Dorchester	do	Summerville	do	Do.
	Marlboro	Laurinburg, N. C	Bennettsville	do	Do.
South Dakota	Brown (portion)	Aberdeen		do	Do.
	Clay (portion)	Vermillion		do	Do.
	Fall River (portion)	Provo-Hot Springs		do	Do.
	Lawrence (portion)	Rapid City-Sturgis		do	Do.
	Lincoln	Sioux Falls	Canton	do	Do.
	Lyon (Iowa)	do	Rock Rapids	do	Do.
	Meade (portion)	Rapid City-Sturgis		do	Do.
	Pennington (portion)	do		do	Do.
	Rock (Minn.)	Sioux Falls	Luverne	do	Do.
	Turner	do	Parker	do	Do.
Tennessee	Carrol	Jackson-Milan-Humboldt	Huntingdon	Local option	June 14
	Crittendon (Ark.) (portion)	Memphis		Agency initiative	Apr. 5
	Crockett	Dyersburg		do	Apr. 8
	Dade (Ga.)	Chattanooga		do	Apr. 5
	Fannin (Ga.) (portion)	Copperhill-McCaysville		do	Do.
	Gibson, city of Humboldt	Jackson-Milan-Humboldt	Humboldt	Local option	June 21
	Henry	Paris	Harris	Agency initiative	July 13
	Knox	Knoxville	Knoxville	Local option	June 14
	Loudon	Lenoir City	Lenoir City	do	July 13
	Polk (portion)	Copperbill-McCaysville		Agency initiative	Apr. 5
	Roane, city of Rockwood	Knoxville	Rockwood	Local option	June 29
	Stewart	Clarksville		Agency initiative	July 13
	Sullivan, city of Kingsport	Bristol-Kingsport	Kingsport only	Local option	Do.
Texas	Angelina	Eatex	Lufkin	Agency initiative	Apr. 1
	Bandera	San Antonio		do	Do.
	Bowie	Texarkana		do	Do.
	Brazos	Bryan	Bryan	Local option	June 29
	Carson	Borger		Agency initiative	June 10
	Chambers	Houston		do	Apr. 1
	Comal	San Antonio	New Braunfels	Local option	June 20
	Dallas	Dallas	Dallas	do	June 23
	Denton	Fort Worth	Denton	Agency initiative	Apr. 1
	Ector	Midland-Odessa	Odessa	Local option	June 10
	Ellis	Corsicana	Waxahachie only	do	June 23
	Fannin	Sherman-Dennison	Sherman	Agency initiative	June 20
	Gray	Borger	Pampa	Local option	June 10
	Grayson	Sherman-Dennison	Bonham	do	June 20
	Harrison	Marshall	Marshall	do	June 23
	Hidalgo, city of Mission	Lower Rio Grande Valley	Mission	do	June 20
	Hunt	Greenville	Greenville	do	July 7
	Jackson (portion)	Matagorda Bay		Agency initiative	Apr. 1
	Kaufman, city of Kaufman	Corsicana	Kaufman	Local option	July 7
	Kendall	San Antonio	Boerne	Agency initiative	June 20
	Lampasas	Killeen-Temple	Lampasas	do	Apr. 1
	Liberty, city of Liberty	Houston	Liberty	Local option	June 10
	Midland	Midland-Odessa	Midland	do	Do.
	Miller (Ark.)	Texarkana	Texarkana	Agency initiative	Apr. 1
	Nacogdoches	Eatex	Nacogdoches	do	Do.
	Navarro	Corsicana	Corsicana	Local option	June 23
	Nolan	Sweetwater	Sweetwater	do	May 21
	Potter	Amarillo	Amarillo	do	May 6
	Randall (portion)	do		Agency initiative	Apr. 1
	Rusk	Eatex	Henderson	do	Do.
	San Patricio	Corpus Christi	Taft	do	Do.
	Tarrant, village of Westworth	Fort Worth		Local option	July 13
	Titus	Marshall	Mount Pleasant	do	June 23
	Wichita, city of Electra	Wichita Falls	Electra	do	June 7
	Wilson	San Antonio	Floresville	Agency initiative	June 20
	Gregg	Longview	Longview	Local option	Do.
	McLennan	Waco	West only	do	Do.
	Harris	Houston	Cities of La Porte and Pasadena only.	do	Do.
	Panola	Eatex	Panola	Agency initiative	July 28
	Walker	Huntsville	Huntsville	do	Do.
Utah	Carbon	Price	Price	do	July 13
	Duchesne	Vernal	Duchesne	do	Do.
	Uintah	do	Vernal	Local option	Do.
	Utah	Provo	Utah	do	July 7
Virginia	Arlington (portion)	Alexandria-Arlington		Agency initiative	May 18
	Northampton	Cape Charles	Cape Charles	do	Apr. 8
Washington	Snohomish, town of Marysville	Everett		Local option	June 28
	Thurston	Olympia	Tumwater only	do	July 20
	Spokane	Spokane	Spokane	Rent advisory board recommendation; agency initiative.	July 26
West Virginia	Gallia (Ohio) (portion)	Point Pleasant-Gallipolis		Agency initiative	Apr. 5
	Meigs (Ohio) (portion)	do		do	Do.
	Washington (Ohio) (portion)	Parkersburg		do	Do.
	Wetzel (portion)	Wheeling-Steubenville		do	Do.

Footnotes at end of table.

Decontrol actions, Office of the Housing Expediter, by States, counties, defense-rental areas, and principal cities, Apr. 1 to July 28, 1949—Continued

State	County	Defense-rental area	Principal cities	Action	Effective date
					1949
Wisconsin	Ashland	Ashland	Ashland	Agency initiative	July 5
	Buffalo	Mondovi-Durand	Alma	do	Do.
	Columbia	Madison	Portage	do	Do.
	Chippewa (portion)	Eau Claire		do	Do.
	Door (remaining portion)	Sturgeon Bay	Sturgeon Bay	do	Do.
	Dunn	Eau Claire	Menomonee	do	Do.
	Manitowoc (portion)	Manitowoc		do	Do.
	Monroe	Sparta	Sparta	do	Do.
	Pepin	Mondovi-Durand	Durand	do	Do.
	Portage (remaining portion)	Wausau		do	Do.

[1] Recontrolled June 3, 1949, RAB recommendation.

[2] On Apr. 8, 1948, acting on his own initiative the Housing Expediter decontrolled the following in the State of Nebraska: Clay County, Hastings DRA, Buffalo County, Kearney DRA; Redwillow, McCook DRA; Madison County, Norfolk DRA; Lincoln County, North Platte DRA; Cheyenne County, Sidney DRA; and portions of Dakota County, Sioux City, Iowa, DRA; Hall County, Grand Island, DRA; and the cities of Alliance in Box Butte County and Scottsbluff, Gering and Mitchell in Scotts Bluff County. Subsequent to Apr. 8, 1949, the Legislature of the State of Nebraska, over the veto of the Governor enacted legislation decontrolling the State, effective not later than Nov. 15, 1949. In the meantime certain organizations of veterans in Nebraska have stated that it is their intention to secure 10,000 signatures on a petition to vote on this act in the 1950 elections. In the event the necessary signatures (10,000), are secured the effect of the legislation will be held up until the action can be voted on. The combined veterans' groups are working toward this end.

[3] The State of Texas has enacted legislation decontrolling the State effective 90 days after the closing of the State legislature.

In addition to the States of Texas and Nebraska, which were mentioned specifically above, the following State actions have been taken:

Alabama: The legislature has passed a State decontrol bill effective May 10, 1950. Under the law the Governor may amend a bill within the 6 days he has to sign or veto. Governor Folsom amended the bill by making it in effect a local-option bill—that is, giving the cities the right to decontrol (presumably after next May 10). Proponents of State decontrol say the Governor waited too late; others say he acted in time. No decision has been announced to date.

Wisconsin: The State legislature passed a bill (a) ending Federal rent control immediately; (b) instituting State control, to terminate next June 1; and (c) providing immediate blanket increase of 15 percent for those who signed leases, and 30 percent for those who did not. The Governor has until July 30 to veto.

EXHIBIT 2

Offices closed or to be closed because of decontrol actions impact on fiscal year 1950 budget, as of July 29, 1949

	Employees	Annual salaries	Reduction in personnel	Potential savings, 1950
As per details shown on attached charts			171	$594,832
Additional offices, closings pending:				
Kansas:				
Great Bend	3	$11,745		
Arkansas City	2	6,137		
Oklahoma:				
Stillwater	2	7,179		
Shawnee	2	7,479		
Ponca City	2	7,179		
Muskogee	2	6,902		
Enid	2	6,577		
Ada	2	7,129		
Utah: Provo City	2	7,806		
Washington:				
Spokane	10	38,992		
	29	107,125		
Rents and utilities		7,500		
Travel expense		5,000		
Cost of maintaining offices on annual basis		119,625		
Cost during fiscal year 1950:				
For active duty of employees	$17,855			
To pay terminal leave	26,782			
Rents and utilities	1,875			
Travel expenses	833			
Disposition of records	1,000	48,345	29	71,280
Potential savings fiscal year 1950 in personnel and money (computed as of July 29, 1949)			200	666,112

Offices closed because of decontrol actions

Region	Number of offices closed	Employees	Annual cost of maintaining offices				Cost during fiscal year 1950						Savings, fiscal year 1950
			Salaries	Rent, utilities, etc.	Travel expense	Total annual cost	Active duty salary	Terminal leave	Rent, utilities, etc.	Travel expense	Disposition, records and equipment	Total cost fiscal year 1950	
Summary, July 14, 1949:													
Region I	None												
Region II	None												
Region III	None												
Region IV	10	49	$188,504	$13,080	$3,056	$204,640	$6,551	$24,768	$779	$137	$431	$32,666	$171,974
Region V	25	69	243,574	18,816	8,729	271,191	8,140	25,219	795	387	2,504	37,045	234,074
Region VI	3	7	23,883	2,070	2,323	28,276		698				698	27,578
Region VIII	5	32	111,989	13,346	2,580	127,915	2,273	11,505	287	50	50	14,165	113,750
Total	43	157	567,950	47,312	16,688	631,950	16,964	62,190	1,861	574	2,985	84,574	547,376
Summary, July 29, 1949, Region IV (additional)	4	14	54,563	6,270	1,344	62,177	5,235	8,577	418	146	345	14,721	47,456
Total	47	171	622,513	53,582	18,032	694,127	22,199	70,767	2,279	720	3,330	99,295	594,832

Offices closed because of decontrol actions

REGION IV

Location of office	Date closed	Employees	Annual cost of maintaining office: Salaries	Rent, utilities, etc.	Travel expense	Total annual cost	Cost during fiscal year 1950: Active duty salary	Terminal leave	Rent, utilities, etc.	Travel expense	Disposition records and equipment	Total cost fiscal year 1950	Savings fiscal year 1950
Laurinburg, N. C.	May 15, 1949	1	$3,853	$552	$339	$4,744							$4,744
Thomasville, Ga	do	1	4,780	444	182	5,356							5,356
Griffin, Ga.	do	1	2,574	588	285	3,447							3,447
Knoxville, Tenn.	July 31, 1949	14	54,666	4,056	111	58,833	$4,258	$14,449	$338	$9		$19,054	39,779
St. Petersburg, Fla.	June 30, 1949	8	29,192	2,148	594	31,934		1,155			$101	1,256	30,678
Daytona, Fla.	July 30, 1949	3	9,477			9,477	186	1,158			90	1,434	8,043
West Palm Beach, Fla.	do	6	26,201	3,000	833	30,034	276	720	250	69	100	1,415	28,619
Fort Lauderdale, Fla.	do	8	30,017	2,184	292	32,493	1,623	5,004	182	24	40	6,873	25,620
Moultrie, Ga.	do	1	2,574	108	420	3,102	208	277	9	35	100	629	2,473
Miami, Fla. (part)	June 30, 1949	6	25,220			25,220		2,005				2,005	23,215
Totals as computed July 14, 1949		49	188,504	13,080	3,056	204,640	6,551	24,768	779	137	431	32,666	171,974
Lakeland, Fla.	July 30, 1949	2	8,433	1,548	360	10,341	843	1,902	55	30	75	2,905	7,436
Gulfport, Miss.	Aug. 10, 1949	2	6,727	870	300	7,897	780	1,098	84	25	25	1,982	5,915
Tampa, Fla.	Aug. 15, 1949	8	32,099	2,820	540	35,459	2,687	5,248	142	67	210	8,354	27,105
Fort Pierce, Fla.	Aug. 31, 1949	2	7,304	1,032	144	8,480	955	329	137	24	35	1,480	7,000
Total as computed July 29, 1949		63	243,067	19,350	4,400	266,817	11,986	33,345	1,197	283	776	47,387	219,430

REGION V

Denton, Tex.	Apr. 29, 1949	1	$2,498	$72		$2,570							$2,570
Nacogdoches, Tex.	May 5, 1949	1	4,605	72	$545	5,222					$24	$24	5,198
Texarkana, Tex.	do	2	7,851	852	36	8,719		$405			65	470	8,249
Tyler, Tex.	do	2	7,204	829	912	8,945							8,945
Alexandria, La.	do	2	6,526	1,732	60	8,318		435			230	665	7,653
Little Rock, Ark.	May 26, 1949	8	30,495	2,566	420	33,481		512			434	946	32,535
Amarillo, Tex.	June 9, 1949	6	21,661	420	1,488	23,574		1,948			287	2,235	21,339
Independence, Kans.	do	1	2,649	343		2,992					73	73	2,919
Sweetwater, Tex.	June 30, 1949	1	2,574	87	84	2,745					62	62	2,683
Marshall, Tex.	do	1	2,799	546		3,345					45	45	3,300
Camden, Ark.	July 6, 1949	2	8,081	1,764	308	10,373	$93				126	219	10,154
Chanute, Kans.	July 8, 1949	2	6,137	654	660	7,451	141	613	$55	$55	124	988	6,463
Chickasha, Okla.	July 9, 1949	1	2,649	312		2,961	61	955	26		60	1,102	1,859
Midland, Tex.	July 14, 1949	1	3,175	978		4,153	122	720	82		163	1,087	3,066
Odessa, Tex.	do	1	4,220	1,440	168	5,837	163	997	120	14	53	1,347	4,490
Pampa, Tex.	do	3	12,561	204	300	13,065	483	2,770	17	25	134	3,429	9,636
Bryan, Tex.	July 20, 1949	3	11,583	852	60	12,495	624	1,220	71	4	37	1,956	10,539
Sherman, Tex.	do	5	19,300	1,812	1,428	22,540	1,035	335	151	119	45	1,685	20,855
Hobbs, N. Mex.	July 21, 1949	1	2,574			2,574					86	86	2,488
Coffeyville, Kans.	do	2	6,376	300	84	6,760	153	970	25	7	69	1,224	5,536
Waxahachie, Tex.	July 22, 1949	1	2,799	624		3,423	172	123	52		10	357	3,066
Dallas, Tex.	do	15	51,182	600	852	52,634	3,148	10,872	50	71	44	14,185	38,449
McAllister, Okla.	July 29, 1949	3	12,159	696	684	13,539	982	667	58	57	120	1,884	11,655
Manhattan, Kans.	do	1	2,284	313		2,597	184	48	26		123	381	2,216
Hot Springs, Ark.	do	8	9,638	745	420	10,806	779	1,629	62	35	90	2,595	8,211
Total, as computed July 14, 1949.		69	243,574	18,816	8,729	271,119	8,140	25,219	795	387	2,504	37,045	234,074

REGION VI

Scottsbluff, Nebr.	May 12, 1949	4	$13,830	$1,476	$1,149	$16,455		$698				$698	$15,757
North Platte, Nebr.	May 14, 1949	2	7,355	504	1,146	9,205							9,205
Norfolk, Nebr.	Apr. 29, 1949	1	2,498	90	28	2,616							2,616
Total as computed July 14, 1949		7	23,883	2,070	2,323	28,276		698				698	27,578

REGION VIII

Phoenix, Ariz.	Apr. 20, 1949	15	$52,537	$7,885	$1,200	$61,922		$1,963				$1,963	$59,959
Bisbee, Ariz.	May 13, 1949	2	7,429	243	300	7,972		1,825				1,825	6,147
Winslow, Ariz.	do	2	7,680	364	420	8,464		544				544	7,920
Boise, Idaho	June 22, 1949	5	14,310	1,413	360	16,283	$314	1,191				1,505	14,778
Tucson, Ariz.	July 18, 1949	8	29,533	3,441	300	33,274	1,959	5,982	$287	$50	$50	8,328	24,946
Total as computed July 14, 1949		32	111,989	13,346	2,580	127,915	2,273	11,505	287	50	50	14,165	113,750

EXHIBIT 3

ANALYSIS OF PETITIONS FOR RENT INCREASES UNDER THE FAIR NET OPERATING INCOME FORMULA FOR MAY AND JUNE 1949

You will recall that in my testimony before the Banking and Currency Committees of the Senate and the House I pointed out the difficulties of attempting to provide for rent adjustments based upon a return on value. The Congress then considered but finally abandoned the return-on-value concept. The Housing and Rent Act of 1949 prescribed that the Housing Expediter in making individual adjustments should observe the principle of maintaining maximum rents so far as practicable, at levels which will yield a fair net operating income from such housing accommodations.

I gave considerable thought to the problem of applying the principle of fair net operating income and concluded that the most practicable and equitable method would be to adopt as a standard the ratio of net operating income to gross income for landlords generally.

I should like to point out that this provision is intended only to grant adjustments to those marginal cases where the ratio of net operating income is below that of landlords generally. This limits, of course, the number eligible for adjustment to those in a substandard operating position. In passing, I should like to point out that I have instructed our area offices in the processing of these petitions to examine those cases which would have to be denied on the basis of the fair net operating income provision, to determine whether or not an increase should be granted under any other adjustment ground. In this connection I might mention that I have recently liberalized other adjustment

provisions to take into account increased costs incurred by the landlord.

During May and June 1949 a total of 33,034 fair net operating income petitions were filed in area offices, 24,416 of which were for small structures and 8,318 for large structures. By June 25, 10,062, or 30.5 percent of the petitions filed had been processed. A total of 2,270 petitions, or 22.6 percent of the number processed, were granted. These petitions covered 9,172 dwelling units, which received an average monthly increase of $11.42, or 15.8 percent above the previous rents. It should oe noted that the percentage of petitions granted will probably be greater for the pending petitions, since it was possible to deny quickly those petitions which showed no justifiable increase on the figures as submitted by the landlord, while additional time is required in the processing of petitions which showed prima facie evidence of not earning a fair net operating income.

OBSERVATIONS

1. Processing of this type of petition has been very slow, especially in the larger offices. At the present rate of processing it would take 4 months to issue orders on all the petitions filed to date. This is in contrast to the 30-day to 6-weeks processing time of other types of petitions. I believe that this situation can be corrected only by substantially increasing the personnel in these metropolitan offices until the processing becomes current.

2. In using this type of formula there are exceptional cases where rent increases exceed 50 percent. A break-down of the figures shows that 5½ percent of rent increases granted in small structures exceeded 50 percent, with one-half of 1 percent of the grants being in excess of 100 percent. In large structures 2 percent of all grants were in excess of 50 percent, with no increases above 80 percent. We are analyzing on an individual basis all of these cases, to determine whether these results indicate the need for some modification of the formula.

3. The average percentage rent increase is greater in small structures that in the large (20.3 percent as against 14.7 percent), but the actual dollar increases are less in the small structures than in the large structures (average monthly increase in small structures, $7.28 per month; average monthly increase in large structures, $14.09).

4. Forty-six percent of the increases granted in small structures were 15 percent or less; 59 percent of the increases granted in large structures were 15 percent or less.

5. Sixty-three and three-tenths percent of all increases granted were for units with rents between $30 and $74.99 per month. Only 8 percent of the increases affected tenants paying less than $20 per month, and only 9.6 percent affected tenants paying above $75 per month. In other words, most of the rent increases are in the medium rent ranges and are not concentrated in either the low-rent or high-rent units.

6. The increases have not been limited to the large centers of population. Approximately 40 percent of the increases granted for small structures were in cities of less than 100,000 population, while 32 percent were in cities of over 500,000 population. In the case of large structures, 25 percent of the increases granted were in cities of less than 100,000 population, while 49 percent were in cities of over 500,000 population. Increases for small structures were granted in 410 cities in 45 States; increases for large structures were granted in 88 cities in 26 States.

CONCLUSION

It is still too early to draw any final conclusions as to the effect of the fair net operating income provision. The next 60 to 90 days should present a more complete picture. In the meantime, we plan to make minor modifications as we gain experience through the processing of larger numbers of petitions.

PERCENTAGE DISTRIBUTION OF INCREASES UNDER SECTION 5 (A) (18), SMALL STRUCTURES, MAY AND JUNE 1949

Fifteen percent of the increases were under 10 percent.

Thirty-one percent of the increases were between 10 and 15 percent.

Nineteen percent of the increases were between 15 and 20 percent.

Twelve percent of the increases were between 20 and 25 percent.

Eight and one-half percent of the increases were between 25 and 30 percent.

Seven percent of the increases were between 30 and 40 percent.

Three percent of the increases were between 40 and 50 percent.

Two percent of the increases were between 50 and 60 percent.

Two percent of the increases were between 60 and 100 percent.

One-half of 1 percent of the increases were over 100 percent.

PERCENTAGE DISTRIBUTION OF INCREASES UNDER SECTION 5 (A) (18), LARGE STRUCTURES, MAY AND JUNE 1949

Thirty-two percent of the increases were under 10 percent.

Twenty-seven percent of the increases were between 10 and 15 percent.

Eighteen percent of the increases were between 15 and 20 percent.

Ten and one-half percent of the increases were between 20 and 25 percent.

Four percent of the increases were between 25 and 30 percent.

Four and one-half percent of the increases were between 30 and 40 percent.

Two percent of the increases were between 40 and 50 percent.

Two percent of the increases were between 50 and 80 percent.

Percentage distribution of units by monthly rents in fair net operating income petitions granted

Monthly rent range	Percent of units		
	Small structures	Large struetures	Small and large struetures
Under $10	0.6	2.9	1.9
$10 to $19.99	8.4	4.4	6.1
$20 to $29.99	15.6	6.3	10.2
$30 to $39.99	20.3	15.8	17.7
$40 to $49.99	22.9	27.4	25.5
$50 to $59.99	13.8	24.6	20.1
$60 to $74.99	10.3	7.9	8.9
$75 to $99.99	5.7	3.0	4.1
$100 and over	2.4	7.7	5.5

Percentage distribution of fair net operating income petitions granted by size of city—May and June 1949

City size population	Percent of all petitions granted	
	Small structures [1]	Large structures [2]
Under 10,000	8.8	5.7
10,000 to 24,999	10.0	4.4
25,000 to 49,999	13.0	6.0
50,000 to 74,999	4.6	6.3
75,000 to 99,999	4.3	3.0
100,000 to 199,999	9.2	5.7
200,000 to 299,999	4.3	6.0
300,000 to 399,999	5.9	9.0
400,000 to 499,999	7.3	4.1
More than 500,000	32.6	49.8

[1] Small-structure petitions were granted in 410 cities in 45 States.

[2] Large-structure petitions were granted in 88 cities in 26 States.

Mr. CAIN. Mr. President, late last night the senior Senator from New Hampshire [Mr. BRIDGES] offered an amendment, which is now pending, which would reduce the amount of money appropriated for the Office of the Housing Expediter by $2,500,000 from the figure reported by the committee. If the amendment prevails, it will mean, in fact, that the Office of the Housing Expediter will be authorized and able to maintain a staff of employees and workers just as numerous and large as that staff had been in the fiscal year 1948. If the amendment is adopted, it will mean that the committee's request to add 553 workers to the total of 4,973 workers who were employed by the Office of the Housing Expediter in 1948 will not be agreed to.

The question before us to determine, I think, is whether or not in the opinion of the Senate the Office of the Housing Expediter can do an adequate and a competent job in liquidating his operation in the fiscal year 1949–50 as he was able to do with a fuller operation in 1948.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. CAIN. I am pleased to yield to the Senator from Utah.

Mr. WATKINS. I think I heard the Senator from Washington mention last night that some 175 communities had been decontrolled. Is that an up-to-date figure respecting what has taken place since the passage of the act of 1949?

Mr. CAIN. As of last night it was the most current figure I could then obtain. This morning my office checked with the Office of the Housing Expediter in Washington, D. C., and we were informed that from April 1 through yesterday, July 28, exactly 274 decontrol actions have occurred under the Housing and Rent Act of 1949. These 274 actions can be broken down—and the Senator will find this interesting, I think—in the following manner: 182 actions were originated by the Housing Expediter; 88 came under local-option clause of the law of 1949; 2 actions were undertaken through State responsibility; 2 actions resulted from local advisory board recommendations.

It has been estimated, not by any Senator I know of, but by the Office of the Housing Expediter, that some 700,000 rental units have been released from rent control by these actions since the 1st of April of this year.

It can likewise be safely presumed that many other decontrol actions are in process of decision at the local level, and the Housing Expediter, by process of law, is constantly reviewing the possibility of further action on his own initiative.

I trust that answers the question of the Senator from Utah.

Mr. WATKINS. It answers it partly. Does the Senator have any information as to the number of employees of the Housing Expediter who will not be needed now by reason of the decontrol of this large number of units and communities?

Mr. CAIN. No. I would only be guessing, and I think it would be a bad guess. A few minutes ago the Senator from Alabama mentioned, I think, the number of employees who have already been released or dismissed as the result of these decontrol actions, and I wonder if the Senator from Alabama would

satisfy the inquiry of the Senator from Utah.

Mr. SPARKMAN. Yes, Mr. President, if I may answer that question, I shall do so. In all the actions taken and all the actions which are pending now, the number of employees involved is an even 200. Let me say that does not sound right when one considers the large number of decontrol actions taken. I believe the Senator from Washington said 182 actions?

Mr. CAIN. I quoted the figure of 274, covering 700,000 American families.

Mr. SPARKMAN. Yes, that is true. Remember that of the 274 actions taken, in many instances one action may cover nothing more than one county, whereas three or four more counties are under the jurisdiction of the rent control office; or perhaps one town may be involved in an action, whereas there may be two dozen towns included in the local unit. In such an instance there would be no one individual affected in that rent control office. One rent control office might have two employees. The office could not let one go just because decontrol action was taken with respect to a small portion of the district. It is true, there have been 762,000 units decontrolled, but there are still under control nearly 14,000,000 units.

Mr. WATKINS. Mr. President, I ask unanimous consent to ask a question of the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Utah has requested unanimous consent to address a question to the Senator from Alabama who does not have the floor. Is there objection? The Chair hears none, and it is so ordered.

Mr. WATKINS. Does the Senator from Alabama have any information on the number of communities or States at the present time that are in the process of decontrol?

Mr. SPARKMAN. I placed in the RECORD a few minutes ago a record brought right up to date.

Mr. WATKINS. What does that record show with respect to the State of Utah?

Mr. SPARKMAN. I read one from Utah.

Mr. WATKINS. The reason I am asking the question is that, according to the press accounts from my State——

Mr. SPARKMAN. Oh, yes; one of them I read from Utah was Provo.

Mr. WATKINS. According to the press of my State of recent date, practically all the communities of the State of Utah will be decontrolled within from 30 to 60 days, which, of course, except for the matter of liquidation and taking care of the records, will make it unnecessary to have all the employees they now have in Utah.

Mr. SPARKMAN. And the leave that the employees will be entitled to. But I wonder if the Senator from Utah knows how many employees there are in the whole State of Utah in the Office of the Housing Expediter.

Mr. WATKINS. I do not know now, but they at one time had a young army.

Mr. SPARKMAN. The chances are there are not a dozen employees in the whole State of Utah now. The statement I have shows that Provo City has just been decontrolled or will be shortly.

It also shows that the four counties in Utah, Carbon County, Duchesne County, Unitah County, and Utah County will be decontrolled.

Mr. WATKINS. I may inform the Senator that within the past few weeks, since those figures were made up, Salt Lake City and Ogden, Utah, the only large communities left are in process of decontrol. City councils have acted favorably, and the Governor has indicated he would approve their action.

Mr. SPARKMAN. Apparently that action is not available to us yet.

Mr. WATKINS. That will take the entire State out of control.

Mr. SPARKMAN The figures are brought up to date, and the chances are there will not be a dozen employees affected. However, in connection with everything that has been done so far and everything that is in the mill so far as the Expediter's office is concerned, there are 200 employees affected, and 79 of those had already been let out before the Expediter appeared before the committee, and those 79 were taken care of in the request that was made this year; in other words allowance was made for them.

Mr. WATKINS. Can the Senator inform us now how many employees the Housing Expediter has assigned to rent control in the entire United States?

Mr. SPARKMAN. The Senator from Washington gave the figure a few moments ago of the number of employees the Expediter had during the fiscal year 1949.

Mr. CAIN. In the fiscal year 1948–49 the number at the peak of employment was 4,973.

Mr. WATKINS. Was the figure given as to the number now employed?

Mr. CAIN. Roughly, several hundred less than that. But if the pending amendment prevails, the resulting moneys to be appropriated to the Office of Housing Expediter will permit him to maintain as large a force as he was able to maintain last year at his peak of employment.

Mr. SPARKMAN. What was the figure which the Senator gave?

Mr. CAIN. I used the figure of 4,973.

Mr. WATKINS. I thank both the Senator from Alabama and the Senator from Washington.

Mr. CAIN. Mr. President, I should like to give the Senator from Utah this additional information. As of this moment, I think the Office of Housing Expediter employes 4,525 on his staff throughout the Nation.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. SPARKMAN. I think I can answer the question in this way: There is a very specific allowance for personnel in the appropriation. Whereas the appropriation in 1949 allowed for a total of 4,947, the budget this year estimated a need for 5,663. The appropriation which the Senate committee has recommended would allow a total of 5,500, which is an increase of 553 over last year. Let me say again that under the direction of Congress one man is to be put in every rent control office to help the landlords and tenants process their claims. For that alone the Housing Expediter has asked for 508 assistants.

Mr. CAIN. Mr. President, I think it is very certain that there is one fact upon which we in the Congress can all agree, and that is that the sooner rent control runs its course and is disposed of, the better off all of us will be, and the happier we shall be. Our job this afternoon is therefore a simple one, namely, to determine whether or not the liquidation of the Office of Housing Expediter can safely and competently be carried out with the moneys which are involved in the pending amendment. I invite the attention of the Senate to the fact that since April 1, the day on which the Rent and Housing Act of 1949 become effective, we have been decontrolling units at the rate of 9,000 a day. There is every reason to believe that that rate of decontrol will accelerate rather than decrease.

I hold in my hand two memoranda which have just been handed to me as coming from the Office of the Housing Expediter in Washington. The first is dated Thursday, July 28, 1949, and reads as follows:

> Housing Expediter Tighe E. Woods today removed from Federal rent control all trailers and trailer spaces in California. He based his action on a survey made by the OHE which showed that the demand for this type of housing accommodation has been reasonably met in California.

I hold this memorandum to be reasonably important, because I believe it to be a fact that the State of California has had a greater increase in its population in recent years than has any other State in all of America. If the Office of Housing Expediter can safely begin to remove rent controls from the State of California, it stands to reason and follows that other States will the more rapidly be decontrolled in the immediate future because of what has happened in California.

I make reference to a second memorandum from the Office of the Housing Expediter, which I hold in my hand. The memorandum is dated July 29, 1949, which is today, and reads in part as follows:

> Housing accommodations operated by educational or charitable institutions used in carrying out their educational or charitable purposes have been exempted from Federal rent control effective immediately, Housing Expediter Tighe E. Woods announced today. An example of housing accommodations exempted from control by today's action is an apartment used by a university and rented by it to married students or faculty members and their families. College dormitories had previously been exempted from the rooming-house regulation.

I think the Senate is aware of the fact that when there was great need for continuance of rent control in America Senators gave serious consideration to providing protection for married students living on university campuses or in university facilities. Here is an insistence—

a very happy one, too—by our Federal Housing Expediter that the time has come when all such controls can be safely lifted from the American scene.

During the course of the discussion which we have had this afternoon, and which began last night, on the pending amendment, it became very apparent to me and some other Senators that the reasoning used to justify the $24,075,000 item recommended by the committee is subject to serious question and doubt. I simply do not know how such an appreciable increase in personnel—for the increase to be denied by the pending amendment is 11 percent—in the Office of the Housing Expediter can be justified when the law which that agency has administered is in its death throes, as was so readily admitted last night by the distinguished Senator from Alabama [Mr. SPARKMAN]. Like a great many other Senators, I have very carefully read the record of the discussion of last night.

I have no desire to prolong the debate on the amendment offered by the Senator from New Hampshire [Mr. BRIDGES], but I ask any fair-minded person to be the judge as to whether an increase in personnel over the number required to administer the Housing and Rent Act of 1948 can be rationalized, speaking in terms of pure logic and reason, when the functions, operations, administrative problems, and every other conceivable reason for increase are less onerous under the law of 1949.

In addition to some very obvious arguments that liquidation of rent control is presumed by June 30, 1950, and that decontrol of rental areas is progressing rapidly and smoothly, several other sound arguments come readily to mind. I remind the Senate that the 15-percent voluntary increase provision which was continued in the two previous rent-control laws is no longer in operation. Petitions for 15 percent voluntary increases—and they numbered in the millions—were handled largely at the local level. I think it can safely be assumed that the personnel who handled the processing of such leases are obviously relieved from other administrative duties. We do want a single person in every rent office charged with the responsibility for giving the tenants and landlords good service.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. BRICKER. Is it not altogether reasonable that the man who is in the best position to help the landlord and to advise him as to his rights would be a man experienced in the details of this program throughout the year? Would he not be already in that office? There would be no need—in fact, it would be a deterrent to carrying out the objectives of the law—to bring in men from the outside and appoint new men to those jobs.

Mr. CAIN. I agree with what the Senator from Ohio has just said. I have endeavored to establish what I think is sound reasoning, that as we have taken away certain duties from the personnel situated in local offices throughout the country, in the name of good common sense we should direct such personnel to remain where it is, in order to give better service to the citizens of the community.

Mr. BRICKER. Is it not the judgment of the Senator from Washington that under the new law there is much less of detail work not only on the part of the home office, but on the part of the district offices of the Expediter, than there was under the previous law, with its various requirements?

Mr. CAIN. That is my best judgment. It is for that reason that I think the pending amendment should be supported.

One last word, Mr. President. The Housing Expediter, during a great deal of the testimony which he submitted to the Committee on Banking and Currency, quite freely, I thought, admitted that he no longer uses the old means of granting relief in hardship cases which existed prior to the 1949 law. I think I was incorrect in stating that these admissions were made during the hearings held by the Banking and Currency Committee. Mr. Woods made them at a later date, as a result, as I understand, of his experience with the new law of 1949.

So far as I have been able to determine, only two avenues exist for rental increases by landlords. The first of these is the well-known provision for fair operating net income. The second has been put into operation, and relates to the proving of increased capital cost. Of course, this means that approximately 15 different types and ways of securing hardship relief which existed under the terms of the 1948 law, are, as a practical matter, according to the observations made by Mr. Woods, no longer administered. If this be true—and Mr. Woods should know his business in that instance—sound administration would surely dictate that those who previously had been handling these hardship cases should be relieved of those duties, as they have been relieved, and should turn their attention to carrying out the added responsibilities or the different responsibilities which were imposed upon the office of the Housing Expediter by virtue of the terms of the Housing and Rent Act of 1949.

Mr. President, I trust that the amendment to the committee amendment will be approved.

ALLEGED DISCRIMINATION IN BUREAU OF ENGRAVING AND PRINTING

Mr. LANGER. Mr. President, the White House is being picketed. It has been picketed for about a week, I believe, by certain employees of the Bureau of Engraving and Printing.

I regret most deeply the necessity of making these remarks on the subject of discrimination against Negroes in the employ of the Federal Government. Many of us who are interested in seeing the Government set an example to the Nation and the world in the matter of democracy had hoped that this sore spot would be eliminated by the issuance of an Executive order of the President in 1948. Unfortunately, this does not seem to be the case.

Today, more than a year after this Executive Order 9980 was issued, serious charges of discrimination have been made, in particular against the Bureau of Engraving and Printing of the Treasury Department. These charges have met with no refutation in specific terms by the Federal officials involved. Nor am I dealing here with vague and unsubstantiated allegations. I have received innumerable complaints from individual employees of this Bureau, from organizations representing them, and from responsible and trustworthy private citizens, of unquestioned reputation, who have made their own investigation of the situation. Not only that, but there have been extensive hearings on this subject by a committee of the House; and these hearings also verify the existence of a grave problem.

What are the exact charges? Here they are.

First. There are nearly 2,000 printers' assistants at the Bureau, almost all of them Negro women. They have been serving on a war-service status, many of them for 6 and 7 years, rendering loyal and efficient service. Yet they were recently forced to compete with nearly 15,000 outsiders, none of them with comparable experience, in one of those civil-service examinations which have practically no relation to the job to be done. Consequently, many of these Negro women with their training and experience will shortly be displaced—thrown out of their jobs. At the same time, printers, who are not Negroes, who have been on war-service status did not have to compete in an assembled examination. They merely filled out a job-application form and were immediately qualified for permanent status.

Second. An examination was recently announced for apprentice printers, open only to veterans of the last war. Some 30 or 40 Negro veterans qualified for this examination, which meant that after serving a 4-year apprenticeship, some of them might finally have been eligible to become printers. The examination was cancelled shortly after this fact became apparent.

Third. None of the responsible supervisory, professional, or clerical positions at the Bureau are filled by Negroes; and none of the skilled crafts and trades jobs, particularly printers, are occupied by a Negro, this despite the fact that the Treasury Department boasts more than half of the employees of the Bureau of Engraving are colored. Of the more than 3,000 Negro employees, less than 10 hold bona fide supervisory or clerical positions.

Fourth. It is significant that segregation is practiced at the Bureau of Engraving on a much wider scale than in almost any other Federal agency in Washington. There are segregated work areas, segregated lockers, and segregated sanitary facilities.

These are serious charges indeed, Mr. President. If they are false, those who have made them should be exposed before the bar of public opinion. If they

are true, the situation should be corrected at once, and those responsible for it should be made to answer for their acts.

There is only one way to get at the facts here. That is by some kind of fair hearing where the charges can be brought and the answers to them be made forthcoming. Frankly, I do not understand why Federal officials have avoided such a process, which is even possible within the framework of Executive Order 9980. If I were a Government official publicly charged with such acts, in violation of the Constitution I had sworn to uphold, I would welcome every possible means of proving my innocence. Failure to do so can only carry with it some implication of guilt.

Since the Treasury officials have persisted in maintaining a screen of denial without proof, I suggest that the Congress has an obligation to the people to uncover the facts. I, therefore, introduced a joint resolution for that purpose. Passage of the joint resolution will arm the public and the Congress with the real truth underlying the situation as to discrimination in the Government. Nothing less than the full truth will serve.

The joint resolution reads as follows:

Whereas the United States Government has an announced policy of non-discrimination toward all of its employees regardless of race, religion or color, in accordance with our Constitution; and

Whereas specific charges of discrimination against Negro employees, including veterans of World War II, have been made against the Bureau of Engraving and Printing of the Treasury Department;

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That a special committee composed of members of the Post Office and Civil Service Committee of both Houses be established and directed to conduct an immediate investigation of these charges.

SEC. 2. The special committee shall be constituted by the appointment of three members of the Senate Post Office and Civil Service Committee and three members of the House Post Office and Civil Service Committee, in each case to be appointed by the chairman of the committee.

SEC. 3. The special committee shall be empowered to hold such hearings and to take such testimony as may be necessary to secure a complete investigation.

The joint resolution (S. J. Res. 122) establishing a joint committee to investigate alleged discrimination against Negro employees in the Bureau of Engraving and Printing, was read twice by its title, and referred to the Committee on Post Office and Civil Service.

Mr. LANGER. Mr. President, in corroboration of the statements I have made concerning discrimination, I propose to offer proof.

DISCRIMINATION IN THE BUREAU OF ENGRAVING AND PRINTING, TREASURY DEPARTMENT

The Bureau of Engraving and Printing of the Treasury Department is the agency which prints the paper money, stamps and Government bonds for the United States Government.

The Bureau employs about 6,000 workers, of whom, according to the Secretary of the Treasury, a little over half are Negro. While exact figures are not available, we know from reliable estimates that all but about 10 of the 3,000 Negro workers are employed as unskilled and semiskilled helpers. This means that avenues of advancement, to positions of a supervisory nature or as skilled crafts workers, have been firmly barred to Negroes. Thus there is not a single one of the 500 plate printers, the key position in the Bureau, who is a Negro.

No responsible authority has argued that the exclusion of Negroes from supervisory and skilled positions is due to their inferior ability or training. In fact, such an argument cannot successfully be advanced, since among the 3,000 colored employees of the Bureau there are many who are college graduates or are trained and experienced craftsmen.

Consequently, the absence of Negroes in the higher-paid positions at the Bureau can be attributed only to the long-time existence of a fixed policy of systematic exclusion of Negroes, a policy maintained and enforced by the officials of the Bureau of Engraving and Printing.

It is of primary importance to recognize the fact that a discriminatory policy of this kind can be maintained in effect in the Federal Government without any violation of law or civil-service regulations. There are many sincere persons, sympathetic to the antidiscrimination cause, who say "What you ought to do is get a good case—find a Negro who applied for a job, who is the person best qualified for that job, and who was told that his application was turned down because of his color."

Now, the fact is that none of these points can ever be proved. In the first place, a man cannot apply for a job unless he knows that a vacancy exists. In most Government agencies, including the Bureau of Engraving and Printing, no announcement is made of a vacancy. It is simply filled by the management, either from the outside or by promoting another employee.

In the second place, the only way a person can be proved to be the best qualified of all applicants is by comparing his record with those of others. An applicant for a promotion has no access to the records of competing applicants. In the third place, no one is ever told explicitly that he was rejected for promotion because of his race or color. Finally, even if there were a case where all these circumstances existed, a Negro would be extremely reluctant to make a protest because of fear of reprisal.

There follows below a description of some of the more glaring inequities which exist at the Bureau of Engraving and Printing. It will be noted that in these instances, involving, in our opinion, discrimination on a mass scale, no effective general remedy can be found through representations involving single individuals. They all involve a broad pattern.

Mr. President, I want to prove my charge of discrimination so that there cannot be the least possible doubt about it. If we, in the District of Columbia, at the seat of government, want to permit a situation of that kind to continue, a situation in which veterans of World War II even cannot get a square deal, I want the Senate and our executives to do so with their eyes open, but with the people of the country knowing exactly what is going on.

1. THE APPRENTICE PRINTERS EXAMINATION

In the summer of 1948 the Bureau of Engraving and Printing announced a departmental examination for apprentice printers. This examination was to be open only to employees of the Bureau who are veterans, and who comply with certain rigid qualifications. About 30 Negro employees of the Bureau of Engraving and Printing met these qualifications. The holding of the examination would have meant that these men would become apprentice printers, and that subsequently many or all of them could become printers. We should realize that there is not a single Negro printer among the 500 men employed at the Bureau in that capacity—not 1 printer among 500, Mr. President.

The examination was canceled after being officially announced. We have excellent reasons for understanding that the reason for the cancellation was to prevent the possibility of a Negro becoming a plate printer. The stated reasons for cancellation is that there are enough printers available, so that with the modernization of equipment there is no need to train apprentices. This statement cannot be reconciled with the following facts: First, all plate printers at the Bureau are working 54 hours per week, or 14 hours of overtime every week at time and one-half rates. Second, we have a communication from Civil Service Commissioner Frances Perkins which says in part:

For several years we have not been able to recruit all the plate printers the Bureau needs. We have, in fact, recently authorized a temporary appointment for an available plate printer the Bureau was lucky enough to pick up.

Bureau officials have argued that while there may be a shortage of printers now, there will be no such shortage 4 or 5 years hence, and that men who become apprentices now will not become full-fledged printers for several years.

It may or may not be possible to predict today whether more printers will be needed in 1953. What is certain, however, is that whether or not more printers will be needed at that time, there still will be no Negro printer because of the cancellation of this examination. Between now and 1953 many of the printers now employed will leave the service for one reason or another. The Bureau's cancellation of the apprentice printers' examination means that in this turn-over also no Negro will become a printer. The gates are closed and locked as far as the Negro is concerned.

2. THE PRINTERS' ASSISTANTS

The job of printers assistant at the Bureau, together with the related occupations of tissue separator and operative, are all restricted to women. There are about 1,800 employees now in this category; of these, 1,600 are colored. Most of the present incumbents have had several years of experience in this work at the Bureau. The work involved, though low-paid, involves considerable dexterity, perception, attention and speed, and on-the-job experience is of the utmost value.

my good friend and your great leader. His vision and courage coupled with his fighting progression and faith in democracy made him one of our outstanding citizens."

Senator WAYNE MORSE: "I am greatly shocked and grieved by the death of your husband. Labor has lost a great general in the battle for labor's rights and the people of the country have lost a staunch defender of our democratic way of life. All of us in my office join in expressing to you our deepest sympathy."

Majority Leader JOHN MCCORMACK: "I am deeply grieved to learn of your great sorrow in the death of your beloved and distinguished husband who was my valued friend."

FRANKLIN D. ROOSEVELT, Jr.: "My sincere condolences to you upon the death of your husband. He was not only a great labor leader but a great American."

Senator J. HOWARD MCGRATH: "Alexander F. Whitney was a great leader of the labor union movement, a great crusader for the cause of progressive liberalism in American government and a great patriot and distinguished citizen * * * His career will long serve as an inspiration to his countless friends and admirers."

Secretary of Labor John W. Gibson: "Deepest sympathy on the passing of a great leader who devoted many years to valuable public service. He will be greatly missed."

John R. Steelman, Assistant to the President: "I have been honored to call him my friend for several years, and regarded him most highly in all ways. * * * I know literally hundreds of those who have been close to him join you in mourning his loss."

Charles G. Ross, Presidential Secretary: "My warmest sympathy to you."

William Boyle, Jr., Democratic National Committee: "A. F. Whitney held high stature as a great leader of labor, a hard fighter for liberalism and good citizenship and his service in all those fields will long serve as an inspiration to his fellow Americans. I am proud to have known your husband and to have been on his side in the liberal fight."

Senator ESTES KEFAUVER: "The working man has lost a great and valuable friend. * * * He personified the very best in labor statesmanship."

India Edwards, women's division, Democratic National Committee: "He was a great American."

Wires were also received from Frank J. Delany, Post Office Department Solicitor; Senators Paul H. Douglas, Joseph C. O'Mahoney, M. M. Neely, Kenneth McKellar, Lister Hill; Representatives Helen Gahagan Douglas, John A. Blatnik, John McSweeney, Eugene D. O'Sullivan; Maj. James P. Holmes, Federal Mediation and Conciliation Service; C. D. O'Brien, National Labor Bureau; Charles M. LaFollette, national director, Americans for Democratic Action; and John M. Redding, director of publicity, Democratic National Committee.

LABOR SORROW VOICED

CIO President Philip Murray: "The CIO desires to express its great sympathy to you and your associates over the untimely passing of your beloved leader. Throughout life he has rendered a great service to his constituency and to his country.

"I have had a great personal admiration for Mr. Whitney as a man and for his works and deeds. His passing creates a void in the labor movement which will be difficult to fill."

Walter P. Reuther, UAW president: "Brother Whitney's untiring service to the labor movement and to the cause of progress in America has reflected great credit both on him and the great organization he led for so many years * * * (his) dedication to right and justice had the effect of moving his country and its people further along toward a better America and a better labor movement."

The wire from Reuther, signed also by Emil Mazey, secretary-treasurer UAW, represented a resolution adopted by UAW executive board.

William Green, AFL president: "I was tremendously sorry when I learned of the death of your husband, Brother Alexander Whitney. He was an uncompromising fighter for labor and for the promotion of human welfare and the worker's interests. All of them have sustained a great loss as the result of his passing. I extend to you and your family my sincere sympathy in the loss you have sustained."

James G. Patton, NFU president: "Farm people mourn with the BRT the loss of A. F. Whitney. He was a great leader, not only in your movement but also in our total American democracy. Our loss as farm people is especially great because he knew and did things about the common problems and objectives of farmers and workers."

D. B. Robertson, B. L. F. and E. president: "I was shocked to learn of the sudden passing of President Whitney. The B. L. F. and E. expresses to the BRT deep regret in the loss of their leader."

David Dubinsky, ILGWU president: "Profound sorrow on the sudden and untimely death of your president, A. F. Whitney."

Jacob Potofsky, Amalgamated Clothing Workers general president: "He made an outstanding contribution not only to the welfare of his union but also to the entire labor movement."

D. L. Behncke, Air Line Pilot's Association president: "He is one of the great men of the splendid familiy of the Railway labor brotherhoods."

James B. Carey, CIO secretary-treasurer: "We are shocked to hear of your sudden loss and the death of our friend Al."

League for Industrial Democracy: "Accept heartfelt sympathy of members of the league. * * * The able, courageous, and socially visioned President Whitney of your brotherhood was a tower of strength to all movements for social advance."

Signed by John Dewey, Nathaniel M. Minkoff, Mark Starr, Joseph Schloffberg, and Harry W. Laidler of the league.

Wires were also received from Joseph D. Keenan, director, Labor's League for Political Education; Allan S. Haywood, CIO vice president; B. Peppercorn, manager, Amalgamated Clothing Workers of America; Eric Peterson, general secretary-treasurer, IAM; Fred N. Aten, president, and Michael Fox, secretary, Railway Employees Department, AFL; Robert Bryon, president, and L. M. Wicklein, secretary-treasurer, Sheet Metal Workers International Association; Morris Piezer, international president, Max Perlo, secretary-treasurer, and Ernest Marsh, director, Organized United Furniture Workers of America; R. F. Walsh, international president, International Alliance Theatrical State Employees & Moving Picture Operators of the United States and Canada; H. A. Bradley, president, and Louis Belkin, general counsel, International Chemical Workers, AFL, and Phil Hannah, secretary-treasurer, Ohio State Federation of Labor.

RAILROAD OFFICIALS

G. Metzman, NYC president: "Deepest sympathy in your bereavement."

Ralph Budd, Burlington president: "Sincere sympathy in your sorrow. * * * We will certainly miss him as a friend and associate."

F. G. Gurley, SF president: "Deepest sympathy. I have known him for many years and enjoyed working with him. He was a great fellow."

W. A. Johnston, IC president: "It is with deep regret that I learned * * * of the passing of your husband. You have my deepest sympathy."

C. A. Major, LV president: "Sincere sympathy on the loss of your distinguished husband whom I have had the pleasure of knowing for several years."

W. T. Faricy, AAR president: "He and I have been friends for 15 years and he will be missed very greatly by all of us who knew him."

J. G. Luhrsen, RRB member: "His loss will be keenly felt by his many associates who have long esteemed him for his exceptional accomplishments."

John T. Scott, NMB: "Your friends of the NMB board and staff mourn with the BRT the passing of a truly great American."

J. J. Noonan, NMB mediator: "Labor has lost a great leader and I a great friend."

Wires were also received from C. M. Yoke, president, Pittsburgh and Lake Erie Railroad; D. P. Loomis, chairman, Association of Western Railways; H. E. Jones, executive committee, Bureau of Information, Eastern Railways; J. M. Fitzgerald, vice chairman, committee on public relations, Eastern Railroad Presidents' Conference; C. S. Lake, retired C. & O. vice president; R. M. Drysdale, Jr., executive vice president, Federation for Railway Progress; J. M. Oram, chief of personnel, Pennsylvania Railroad; C. R. Young, director, personnel, Illinois Central; A. J. Bier, executive committee, Bureau of Information, Southeastern Railways; H. A. Enochs, Pennsylvania Railroad vice president, and G. W. Eastland, Northwestern Newsliner editor.

Mary Gorman, LA grand president: "Deepest sympathy to entire Grand Lodge of BRT."

Other ladies' auxiliary officers to wire were Mrs. Fona Whipple, grand executive board chairman; Mrs Sadie McKey, grand secretary and treasurer; Mrs. Lola Placey, first vice grand president, and Alice C. Cole, deputy grand lodge officer.

C. A. Crowder, editor, Flora Sentinel: "We may share the pride his pure Americanism as it has been demonstrated throughout his life. His masterful defense of freedom of the press at Flora, Ill., July 4 will always live in my heart.

"The BRT and the American people have lost an imaginative, inspiring, fighting leader. You must close ranks and put through issues dear to his heart."

Jim Mead, former United States Senator: "His service for his fellowman will be universally missed."

Wires also came from M. J. Murphy, former chief clerk of the BRT under President Lee; A. J. Hayes, AAR counsel; T. E. Bickers, NMB mediator; Dr. W. B. Wells, a personal friend of A. F. Whitney; Dr. C. E. Duvall, also a personal friend, and Sister Gerald, a Catholic nun and personal friend of Mrs. Whitney.

Also A. G. Trimble, president, Trimble & Co.; Rober M. Adams, Burke Williamson, J. A. Williamson, of Chicago; Richard Fondilier and staff; J. Frank Burke, Standard Broadcasting Co.; K. K. Card, Colorado Springs, Colo., Chamber of Commerce; and W. von Zeble, president of William von Zeble & Co.

A continuous stream of wires and letters flowed in from grand lodge offices, members, and officers of the many lodges throughout the United States and Canada. Countless messages expressing grief in the loss of a great leader are still coming into grand lodge.

UNIFORM CODE OF MILITARY JUSTICE—AMENDMENT TO THE BILL (H. R. 4080)

Mr. KEM. Mr. President, I ask unanimous consent to submit, out of order, an amendment to House bill 4080, to establish a uniform code of military justice.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

Mr. KEM. Mr. President, since my service in the Army during World War I, I have been interested in efforts to improve the court-martial rules for the armed services, particularly in eliminating inequities and possibilities of miscarriages of justice.

In the Eightieth Congress, my amendment to the Selective Service Act, providing for revision of the court-martial rules for the Army and Air Force was approved. That amendment was based on extensive studies by various organizations and individuals, both military and civilian, including prominent judges and lawyers. The efforts of these organizations and individuals represented the most comprehensive study of military justice that has ever been conducted in the history of our country.

That amendment was adopted by Congress and has been the established procedure for Army and Air Force courts-martial for nearly a year. Its working, in actual practice, has received high praise from many sources, including enlisted personnel and the so-called Army and Air Corps "brass." I would like to review in general terms the changes made last year in the Army court-martial system.

First. Enlisted men were authorized to sit as members of courts martial.

Second. Officers were subjected to trial by special courts martial.

Third. It prohibited the unlawful influence of courts martial or the members thereof.

Fourth. Warrant officers were authorized to sit as members of courts martial.

Fifth. It provided that an accused, if he so desires, may have counsel at the pretrial investigation.

Sixth. Authority to grant a bad-conduct discharge was granted to general and special courts martial.

Seventh. The review and appellate provisions were strengthened and improved.

Eighth. A lesser punishment than death or life imprisonment for murder or rape was provided.

Ninth. A lesser punishment than dismissal from service for officers drunk during time of war was provided.

Tenth. The authority of commanding officers under the one hundred and fourth article of war was increased so far as it pertains to officers but not to enlisted men.

Eleventh. A separate Judge Advocate General's Corps was established for the Army, but not for the Air Force.

These changes were designed to correct the following five basic defects in the court-martial system:

First. Punishments imposed by courts-martial were not uniform for the same offense under similar circumstances.

Second. Members of courts-martial were subject to "command" influence in arriving at findings and imposing sentence.

Third. Punishments varied in degree for officers and enlisted men. Because officers could not be tried except by general courts-martial, and because punishment for officers under Article of War 104 was limited to captains and lieutenants, and as to extent of punishment, officer personnel frequently was permitted to escape disciplinary action.

Fourth. Qualified defense counsel was too frequently not made available to persons being tried by courts-martial, even for capital offenses.

Fifth. Appellate procedure was inadequate.

The extensive hearings held since the war disclosed that the system of justice in the Navy is as much in need of improvement as was that of the Army. The same five defects are present in the Navy system and are in need of correction. They can be corrected, insofar as is possible for legislation to regulate the human element involved, by the adoption for the Navy the same system now in effect for the Army.

However, we have pending before us a measure which would wipe out the changes of last year and which would eliminate all existing court-martial rules and procedures for all services, and, in the name of unification, start all over again, completely from scratch, and write a completely new set of rules and procedures.

Mr. President, I contend this is unnecessary.

One of the main purposes of unification was simplification.

To abolish all existing rules and start out with a completely new set, certainly would not contribute to that end. To the contrary, it seems to me, this would introduce a complication that is entirely unnecessary.

There is no question that a unified code of courts-martial rules is desirable. But the simple, direct, and satisfactory way to accomplish the desired end is to extend to the Navy the revised rules already provided for the Army and Air Force.

To that end I am today introducing an amendment in the nature of a substitute for House bill 4080, the proposal now pending. My amendment would extend to the Navy the revised and liberalized rules and regulations under which the Army and Air Force are now operating.

My amendment also proposes that there be established a separate Judge Advocate General's Corps in the Navy and in the Air Force. Such a corps for the Army was provided last year and is now in effect.

We now have a good system of military justice for the Army. It has been tried. Rather than junk what we have and enter into a field of confusion, let us make this improved system applicable to all three services. We then will have the unification desired.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1950, and for other purposes.

Mr. PEPPER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hayden	Martin
Anderson	Hendrickson	Maybank
Baldwin	Hickenlooper	Millikin
Brewster	Hill	Morse
Bricker	Hoey	Mundt
Bridges	Holland	Murray
Butler	Humphrey	Myers
Byrd	Hunt	O'Conor
Cain	Ives	O'Mahoney
Capehart	Jenner	Pepper
Chapman	Johnson, Colo.	Robertson
Chavez	Johnson, Tex.	Russell
Connally	Johnston, S. C.	Saltonstall
Cordon	Kefauver	Schoeppel
Donnell	Kem	Smith, Maine
Douglas	Kerr	Sparkman
Downey	Kilgore	Stennis
Dulles	Knowland	Taylor
Ecton	Langer	Thomas, Okla.
Ellender	Lodge	Thye
Ferguson	Long	Tobey
Flanders	Lucas	Tydings
Frear	McCarran	Vandenberg
Fulbright	McCarthy	Watkins
George	McClellan	Wherry
Gillette	McKellar	Wiley
Graham	McMahon	Williams
Green	Magnuson	Withers
Gurney	Malone	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES] to the committee amendment on page 38, line 9. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 38, line 9, in the committee amendment, it is proposed to strike out "$24,075,000" and insert "$21,667,500."

The PRESIDING OFFICER. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The LEGISLATIVE CLERK proceeded to call the roll, and Mr. AIKEN voted in the affirmative when his name was called.

Mr. BRIDGES. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BRIDGES. On this question, a "yea" vote would bring about a reduction in the amount of the appropriation, and a "nay" vote would be for the full amount of the figure in the committee amendment.

The PRESIDING OFFICER. A "yea" vote is for the amendment offered by the Senator from New Hampshire, which would reduce the amount from $24,075,000, as stated in the committee amendment, to $21,667,500.

Mr. O'MAHONEY. Mr. President, there is so much disorder that Members of the Senate are not aware of the nature of the vote which is being taken. Therefore, I wish to propound a parliamentary inquiry.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The Senator will state it.

Mr. O'MAHONEY. What is the amendment now before the Senate?

The PRESIDING OFFICER. The amendment before the Senate is the one proposed by the senior Senator from New Hampshire [Mr. BRIDGES] to the committee amendment on page 38, in line 9. The amendment of the Senator from New Hampshire to the committee amendment would reduce the amount of $24,075,000, as it appears in the committee amendment, to $21,667,500.

Mr. O'MAHONEY. So those who desire to sustain the committee amendment should vote "nay" upon this question; and those who desire to vote for an additional cut will vote "yea"; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. CAIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CAIN. What Federal office does the amendment cover?

The PRESIDING OFFICER. The amendment pertains to the Office of the Housing Expediter.

The clerk will resume the calling of the roll.

The legislative clerk resumed and concluded the calling of the roll.

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Arizona [Mr. MCFARLAND], and the Senator from Rhode Island [Mr. MCGRATH] are absent on public business.

The Senator from Idaho [Mr. MILLER] is necessarily absent.

The Senator from West Virginia [Mr. NEELY] and the Senator from Utah [Mr. THOMAS] are detained on official business.

The Senator from Rhode Island [Mr. MCGRATH] is paired on this vote with the Senator from Ohio [Mr. TAFT]. If present and voting, the Senator from Rhode Island would vote "nay," and the Senator from Ohio would vote "yea."

The Senator from West Virginia [Mr. NEELY] is paired on this vote with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from West Virginia would vote "nay," and the Senator from New Jersey would vote "yea."

I announce further that if present and voting, the Senator from Utah would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH], who is absent because of illness, is paired with the Senator from West Virginia [Mr. NEELY]. If present and voting, the Senator from New Jersey would vote "yea," and the Senator from West Virginia would vote "nay."

The Senator from Ohio [Mr. TAFT], who is necessarily absent, is paired with the Senator from Rhode Island [Mr. MCGRATH]. If present and voting, the Senator from Ohio would vote "yea," and the Senator from Rhode Island would vote "nay."

The result was announced—yeas 45, nays 42, as follows:

YEAS—45

Aiken	Gurney	Mundt
Baldwin	Hendrickson	O'Conor
Brewster	Hickenlooper	Russell
Bricker	Hoey	Saltonstall
Bridges	Jenner	Schoeppel
Butler	Johnson, Colo.	Smith, Maine
Byrd	Kem	Thye
Cain	Knowland	Tobey
Capehart	Langer	Tydings
Cordon	Lodge	Vandenberg
Donnell	McCarthy	Watkins
Ecton	McClellan	Wherry
Ferguson	Malone	Wiley
Flanders	Martin	Williams
George	Millikin	Young

NAYS—42

Anderson	Hill	McMahon
Chapman	Holland	Magnuson
Chavez	Humphrey	Maybank
Connally	Hunt	Morse
Douglas	Ives	Murray
Downey	Johnson, Tex.	Myers
Dulles	Johnston, S. C.	O'Mahoney
Ellender	Kefauver	Pepper
Frear	Kerr	Robertson
Fulbright	Kilgore	Sparkman
Gillette	Long	Stennis
Graham	Lucas	Taylor
Green	McCarran	Thomas, Okla.
Hayden	McKellar	Withers

NOT VOTING—9

Eastland	Miller	Smith, N. J.
McFarland	Neely	Taft
McGrath	Reed	Thomas, Utah

So, Mr. BRIDGES' amendment to the committee amendment was agreed to.

The question is on agreeing to the committee amendment as amended.

The amendment, as amended, was agreed to.

The VICE PRESIDENT. The clerk will state the next committee amendment.

The next amendment was, under the heading "Interstate Commerce Commission," on page 39, line 16, after the word "binding", to strike out "$9,321,000" and insert "$9,621,000."

Mr. BRIDGES. Mr. President, this amendment affects the Interstate Commerce Commission. As we all know, the Interstate Commerce Commission is an important commission, with important duties. But it is adequately staffed. The House appropriated $9,321,000, which provides a staff of 1,906 for the Commission. The Senate committee added to that, increasing the personnel by 60. I think the provisions made by the House are adequate, and I hope the Senate committee amendment will not be adopted.

Mr. O'MAHONEY. Mr. President, again the Senator from New Hampshire neglects to point out that the recommendation of the Bureau of the Budget was for a smaller personnel than the number presently employed. The House decreased the personnel below the Budget estimate, and while the Senate amendment has increased it, it has still not increased it to the number required by the budget estimate.

But, Mr. President, there is a very much more important factor to be considered. The budget estimate was $508,300 above that which was allowed by the House. The Appropriations Committee has restored only $300,000 of the reduction. So the committee amendment is still below the budget figure. I urge this amendment upon the Senate in the firm conviction that it is an amendment which will be productive of income to the Government, and which will be beneficial to the economy. I can illustrate that by the fact that the testimony clearly shows that the Bureau of Motor Carriers now has before it not less than 2,499 applications from businessmen who desire to obtain certificates of convenience and necessity to operate motorbus lines, and whose applications have been pending before the Commission because the personnel of the bureau is not sufficient to pass upon them. The evidence before the committee was clear that in many instances these applications of men who want to engage in business enterprises have been pending for 7 months.

With respect to personnel, the Bureau of Motor Carriers suffered a reduction during the war because employees went to war, and it was utterly impossible for the Interstate Commerce Commission to recruit employees in sufficient number to do the work which was to be done, or in sufficient number to use the appropriations which were made. But now there is the opportunity of securing employees who can pass upon the applications.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Kansas?

Mr. O'MAHONEY. I yield.

Mr. SCHOEPPEL. Has it not been the practice on the part of the Interstate Commerce Commission to have joint hearings with the State commissions, in a number of those cases?

Mr. O'MAHONEY. I think that may be true.

Mr. SCHOEPPEL. Does not that obviate the necessity of having straight hearings on the part of the Interstate Commerce Commission?

Mr. O'MAHONEY. No, indeed; that is not my understanding at all. Let me read to the Senate the testimony which was presented. Mr. Blanning, testifying with respect to the background, said:

We have a total of 3,500 cases in the Bureau at present not decided; 2,499 of those, of the application cases, are in the Section of Complaints, which is the section that hears cases and prepares reports.

We receive approximately between 250 and 300 new applications a month.

I injected this:

If you have 2,499 applications pending which on the average cannot be handled in less than 7 months, and if the applicant cannot operate until you do handle his case, it follows, does it not, that there is a lot of idle capital, and perhaps a lot of idle equipment, or perhaps a lot of delayed purchase of equipment and, of course, delayed handling of business which the applicant thinks is there waiting to be done if only permission can be granted?

Mr. BLANNING. That is true, and we are continually receiving complaints about the inability to obtain service within a reasonable time after the need for the service arises.

There is other testimony with respect to the reduction of employees during the war years.

During that period, this backlog had accumulated. For example, in 1941 we had 1,402 people in the Bureau. That was not any too many.

The next year we had 1,209, which was a loss of 200.

The next year we had 1,153, a loss of 200 more.

The appropriation kept on going down, so that next year they recommend 732 employees, whereas in 1941, when we got into this trouble, we had 1,400. Of the 1,402 people we had in 1941 approximately 240 were transferred to other sections of the Commission.

In other words, they propose to give us for next year approximately 430 less people than we had in 1941, at the beginning of the war.

They have 3,500 cases pending.

Then there is the Bureau of Valuation, in which valuations are made of the property of common carriers, railroads

as well as motorbus lines. It also makes valuations of the property of pipe lines, a duty vested in the Commission by operation of law.

My point is that the amendment of the Senator from New Hampshire is a crippling amendment. The committee itself has not done enough, as I see it. We have restored only $300,000 of the requested $508,000, and the Commission is still below the budget estimate. The Interstate Commerce Commission is performing an essential service, and this restoration should be made.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. RUSSELL. May I ask the distinguished Senator from Wyoming whether, if the committee amendment is agreed to, there will be fewer employees in the Interstate Commerce Commission than there were in the past fiscal year.

Mr. O'MAHONEY. That is correct.

Mr. RUSSELL. Even if the amount is restored, there will be fewer employees?

Mr. O'MAHONEY. That is correct.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MALONE. I should like to inquire whether the distinguished Senator knows that it is still permissible under the rules and regulations of the Interstate Commerce Commission to request a member or members of a State commission to hold hearings in the nature of an examiner's hearing, and to submit a report to the Interstate Commerce Commission?

Mr. O'MAHONEY. I understand that to be the case.

Mr. President, I was interested in the statement made in the hearings regarding complaints. I inquired of Commissioner Mahaffie:

Do you have any complaints from Members of Congress?

He said:

Oh, yes; we do.

I said:

Will you please look over your records and let me know, so that the information may be printed in the RECORD, how many complaints you are receiving from Members of Congress?

The information was later furnished to the committee and it appears in the record. This is it:

During the past year, 30 Senators and 50 Representatives have inquired in writing concerning the status of motor-carrier applications for operating authority pending before the Commission. In addition to the inquiries made by letter, many others were made and answered by telephone.

During the 12 months which ended May 30, 1949, 3,337 applications for motor-carrier operating authorities were filed and 135 cases which had been decided were reopened for further hearing or reconsideration.

On June 3, 1949, there were 2,420 of such applications pending. Of these 736 were awaiting the assignment of a hearing or further hearing. Some had been ready for assignment for 3 or 4 months. The average time these applications had been filed prior to June 3, 1949, was approximately 2 months. With an adequate staff this average time could be cut to less than 1 month.

Mr. President, in the interest of expediting the necessary work of the Commission, I hope the amendment may be adopted.

Mr. BRIDGES. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 39, line 16.

Mr. DONNELL. Mr. President, may we have the amendment stated?

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 39, line 16, it is proposed to strike out "$9,321,000" and insert in lieu thereof "$9,621,000."

The VICE PRESIDENT. The yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk called the roll.

Mr. O'CONOR. The senior Senator from Maryland [Mr. TYDINGS] is absent on official business. If he were present, on this question he would vote "yea."

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Arizona [Mr. MCFARLAND], and the Senator from Rhode Island [Mr. MCGRATH] are absent on public business.

The Senator from Idaho [Mr. MILLER] is necessarily absent.

The Senator from West Virginia [Mr. NEELY] is detained on official business.

The Senator from Rhode Island [Mr. MCGRATH] is paired on this vote with the Senator from Ohio [Mr. TAFT]. If present and voting, the Senator from Rhode Island would vote "yea," and the Senator from Ohio would vote "nay."

The Senator from West Virginia [Mr. NEELY] is paired on this vote with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from West Virginia would vote "yea," and the Senator from New Jersey would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH], who is absent because of illness, is paired with the Senator from West Virginia [Mr. NEELY]. If present and voting, the Senator from New Jersey would vote "nay," and the Senator from West Virginia would vote "yea."

The Senator from Ohio [Mr. TAFT], who is necessarily absent is paired with the Senator from Rhode Island [Mr. MCGRATH]. If present and voting, the Senator from Ohio would vote "nay," and the Senator from Rhode Island would vote "yea."

The Senator from Maine [Mr. BREWSTER] and the Senator from Oregon [Mr. CORDON] are detained on official business. If present and voting, the Senator from Oregon [Mr. CORDON] would vote "yea."

The result was announced—yeas 45, nays 40, as follows:

YEAS—45

Anderson	Gillette	Holland
Chapman	Graham	Humphrey
Chavez	Green	Hunt
Connally	Gurney	Johnson, Tex.
Downey	Hayden	Johnston, S. C.
Ellender	Hill	Kefauver
Fulbright	Hoey	Kerr
Kilgore	Morse	Saltonstall
Long	Murray	Sparkman
Lucas	Myers	Stennis
McCarran	O'Conor	Taylor
McClellan	O'Mahoney	Thomas, Okla.
McKellar	Pepper	Thomas, Utah
Magnuson	Robertson	Withers
Maybank	Russell	Young

NAYS—40

Aiken	Frear	Martin
Baldwin	George	Millikin
Bricker	Hendrickson	Mundt
Bridges	Hickenlooper	Schoeppel
Butler	Ives	Smith, Maine
Byrd	Jenner	Thye
Cain	Johnson, Colo.	Tobey
Capehart	Kem	Vandenberg
Donnell	Knowland	Watkins
Douglas	Langer	Wherry
Dulles	Lodge	Wiley
Ecton	McCarthy	Williams
Ferguson	McMahon	
Flanders	Malone	

NOT VOTING—11

Brewster	McGrath	Smith, N. J.
Cordon	Miller	Taft
Eastland	Neely	Tydings
McFarland	Reed	

So the committee amendment was agreed to.

The VICE PRESIDENT. The next committee amendment will be stated.

The next amendment was, under the heading "National Advisory Committee for Aeronautics," on page 41, line 14, after the word "Committee", to insert "including."

The amendment was agreed to.

The next amendment was, on page 42, line 4, after the words "in all", to strike out "$38,710,000" and insert "$43,610,000."

Mr. BRIDGES. Mr. President, this amendment deals with the National Advisory Committee for Aeronautics. Our country and the other countries of the world, are interested in aeronautics. I am sure all the Members of this body are interested in aeronautics. A good deal of the work connected with aeronautics has to do with research and development. Such work is being done in the United States by the Air Force, by the Navy, and by the National Advisory Committee for Aeronautics. That committee is doing good work. But until the time arrives when we can review the whole situation, and do away with the duplication which exists, I believe the position the House took in not allowing increases in personnel of this committee to be sound. The work has to be done either by the Air Force, the Navy or the committee. The work, however, should not be duplicated. Instead of having the committee branch out, it should, I believe, remain at its present standing until we have had an opportunity to review the picture and to determine the question of who shall do what. The increase in the appropriation calls for an increase in the personnel of 700 individuals. Those individuals will be civilians. It means an increase in the personnel from 6,700 to 7,400. That is the increase which would result if the Senate committee figure were adopted instead of the House figure. The number of employees provided this year is 7,096. I believe we should hold to the House figure for I think the basis of the House report is sound.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. McMAHON. Is the Senator able to advise us as to how much jet-plane experimentation is involved in this appropriation?

Mr. BRIDGES. No.

Mr. McMAHON. Can he state how much of a bearing this appropriation has on our development of jet planes?

Mr. BRIDGES. I cannot tell the Senator. The Senator from Connecticut knows as well as I do that this type of research work is being done by the Air Force, the Department of the Navy, and by the National Advisory Committee for Aeronautics. The Senate committee went into the matter to some extent. The House committee went into it very thoroughly. There is no disposition on my part to curtail the activities of the National Advisory Committee for Aeronautics. However, I feel that expansion of the work of the Committee should be limited until the work done by the three organizations is reviewed, and then we may be able to determine where elimination of duplication is possible.

Mr. McMAHON. Is the Senator from New Hampshire able to assure the Senate that the reduction he proposes to make will not in any way harm our program of jet development? As I understand, the organization in question—I may be wrong, for I do not know too much about it—is the center—the parent organization that has to do with the development of jet planes. Before I vote on the question, I should like to have some authoritative information as to the effect the proposed cut would have, and whether it would jeopardize our development of jet planes, in which I am much interested, as I am sure the Senator from New Hampshire is.

Mr. BRIDGES. I cannot give the Senator positive assurance, but I personally would not be advocating the cut if I thought it would interfere with our jet-plane program. I cannot give any absolute guaranty that it will not, but it is my belief that it will not.

Mr. McMAHON. Can the Senator refer me to any testimony which was taken by the committee upon this subject?

Mr. FERGUSON. Mr. President, on what we call the side slips, on page 219, is the testimony. I have been trying to go over it hurriedly. As I recall, there was nothing said about jet planes. I think the work connected with jet planes is mostly done, if not entirely done, by the Air Force and by the Navy.

Mr. McMAHON. What is this Committee doing if it is not developing jet planes?

Mr. FERGUSON. The National Advisory Committee for Aeronautics is acting under an old law of 1915 which provides that it is "to supervise and direct the scientific study of the problems of flight with a view to their practical solution."

The House committee in its report says that a review of that legislation should be made by the regular standing committees of the Congress so as to line up what the Air Force, the Army, and the Navy should do in the line of aeronautics. There is a duplication of work between the three organizations. The Committee is really known as the civilian experimental or research department. The House committee report on page 25 says:

> In view of this situation, the committee recommends that the legislative committee having jurisdiction over this agency (Armed Services) should completely review the legislative background of NACA with a view to enacting a comprehensive basic law authorizing the various activities and construction programs which it regards as necessary.

Air tunnels are involved in this program; but under the Air Corps, which is a part of the Military Establishment, are air tunnels which are in effect duplications. The House committee reviewed this question very carefully and wrote a report indicating that they believed that in this instance the budget estimate should be cut, until a survey can be made and it can be determined who should do this kind of work.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question?

Mr. McMAHON. I have not the floor. I should like to make this observation. I suppose it would be very praiseworthy to make a reappraisal of the situation, but I am interested also in seeing to it that during the coming year we do not lose headway in jet propulsion. The Senator from California is on his feet. He is a member of the Armed Services Committee, and perhaps we might be able to get some authoritative information from him.

Mr. KNOWLAND. Mr. President, if the Senator will yield for a moment, the same question which has arisen in the mind of the Senator from Connecticut has also arisen in the mind of the Senator from California. Within the past 3 or 4 weeks I made a trip to the Langley Field plant of the National Advisory Committee for Aeronautics. From what I saw there, and what was discussed there, I believe that they have eliminated any duplication of effort as between this activity and that carried on by the Army and the Navy.

I was greatly impressed with the need of this country maintaining supremacy in the matter of wind tunnels. Most of the wind tunnels which we have are in the subsonic area. As Senators know, there is a bill now on the calendar, which has not been passed, which provides for the construction of both transsonic and supersonic wind tunnels.

I believe all of us read in the newspapers not very long ago of the military review in Moscow, where the Russians flew before the eyes of the foreign military observers some very fast Soviet jet planes. That should put all of us on notice that we cannot afford to be second best in the matter of air power. I think almost as important as air power itself is keeping this country well in advance in the field of development of air power and the investigation of its scientific aspects. Unless we keep two or three jumps ahead, our sons are likely to have to fight in jet fighter planes or some other type of planes which are a few miles an hour slower than the ones which a potential aggressor may have, which would put them at a great disadvantage.

From what I saw at the Langley Field establishment, and from what I was told of the other establishments, I am highly dubious, without more adequate testimony, about making a reduction from the committee figure. I have generally supported reductions, because I think it is essential that we make reductions wherever we can; but this is one place which I think may vitally affect the national defense; and I am not willing, on the testimony given, to vote for a reduction in this item at this time.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McMAHON. I should like to say to the Senator from California that it was the item about which he spoke, coming from Moscow, that moved me to question this reduction. I also have in mind the speed of the Jap Zeros at the beginning of the war, and what that did to many of our slower ships. I am inclined to agree with the Senator from California, and I thank him very much for enlightening me on the subject.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. SALTONSTALL. I should like to supplement what the Senator from California and the Senator from Connecticut have said. I refer to page 893 of the House hearings, where it will be found that the House committee went thoroughly into the question of duplication as between the Army, the Navy, and Air Corps. It will be found that there is testimony to the effect that there are committees working on that problem. Dr. Hunsaker, the head of this agency, states as follows:

> We have an agreement between the NACA, Army, Navy, and Commerce Departments called a national aeronautical research policy determining the relative areas of interest, and in that statement, basic and general research in the aeronautical sciences is agreed to be the function of the NACA.

I believe it will be found that a great deal of the duplication has been eliminated.

I voted for this increase because it represented about half of the increase requested. The purpose of it is to start the new research facilities which have been built. Having built those research facilities, it seems to me that we should start them and build the utilities and provide the equipment to conduct experiments with high-speed airplanes in the supersonic-speed field.

Mr. KNOWLAND. Mr. President, will the Senator yield to me?

Mr. FERGUSON. I yield.

Mr. KNOWLAND. I think it might be well to read into the RECORD at this time from the side slips of the Committee on Appropriations:

> Personnel services: An increase of $5,709,773 is requested under this object of expenditure to permit an increase in total staff from 7,179 to 8,500 employees. The additional employees are required to permit (1) the staffing of newly completed research facilities, (2) increased utilization of existing facilities, particularly those providing research information in the transonic and supersonic speed ranges, (3) an expansion of the pilotless aircraft research program at the Wallops Island Station and of the high-speed aircraft research program at the Muroc Station, and (4) a small increase in the NACA headquarters' staff to insure the efficient planning,

implementing, and coordination of research programs.

The majority of the additional personnel requested are required for research in the transonic and supersonic speed ranges. Since high-speed aircraft must operate safely and efficiently throughout the entire speed range, the need for personnel for research in the high-speed ranges cannot be met by the reassignment of personnel presently engaged in research on low-speed problems. Not only are the new or high-speed problems added, the old or low-speed problems become more acute because of the special configurations that are required for aircraft capable of operating at transonic or supersonic speeds.

Mr. BRIDGES. Mr. President, the House takes the position that—

The number of personnel provided NACA in recent years has increased tremendously and the committee is of the opinion that its operations have now reached a leveling-off place and that employees required in connection with the operation of newly constructed projects should be secured through a redistribution of personnel from less urgent activities.

As I stated, there is no intention so far as I am concerned of hampering in any way research and development in these fields. However, I point out that various departments are covering the same ground. We are talking about unification of the armed services. We are talking about the Hoover Commission reports. Sooner or later we must clearly define who does what, and stop this duplication. No one wants to cut down research or development, but there is a point at which we can have several departments or agencies doing the same identical thing.

In that connection the House figure is $38,710,000. The figure recommended by the Senate committee is $43,610,000. I offer an amendment to the committee amendment, to strike out the figure "$43,610,000" and insert the figure "$41,010,000," which would allow this organization an increase of approximately $2,300,000 over the House figure, but would still not equal the Senate committee figure. It would allow this agency to put on some additional employees—probably between 350 and 400—and proceed with the work. In the meantime, next year we could do as the House recommends, and have a thorough survey of this problem, defining the division of labor among the various departments without duplication and without overlapping.

Mr. CHAPMAN. Mr. President——

The PRESIDING OFFICER (Mr. RUSSELL in the chair). Does the Senator from New Hampshire yield to the Senator from Kentucky?

Mr. BRIDGES. I yield the floor.

Mr. CHAPMAN. Mr. President, I wish to say that I think the development of aviation, important as it is now, is something which we cannot put off until next year. The three laboratories—the one at Langley Field, Va.; the one at Moffett Field, Calif.; and the one at Cleveland, Ohio—have done a magnificent job in aeronautical engineering, especially in the field of speed, as developed in the tests conducted at those laboratories and fields. For example, consider the one in California. In the recent war, the tests conducted there suggested changes in the shape and conformation of airplanes, and those changes resulted in speed increases which averaged several miles an hour in the case of all combat planes the United States had in the war. Those laboratories are employing some of the best aeronautical engineers the world has produced. Some of the best scientific brains in the country are engaged in those experiments. The vast and rapid development of aviation in all the ramifications of aeronautical engineering is such that one laboratory or two laboratories or three laboratories are not sufficient to do what should be done if we are to have the most effective Air Force in the world; and, Mr. President, nothing is more vital to the safety of our country than that we have the best Air Force in the world. I believe a grave mistake would be made if the Senate were to vote to cut the amount recommended by the committee.

Mr. KNOWLAND. Will the Senator yield for a question?

Mr. CHAPMAN. I yield.

Mr. KNOWLAND. I should like to ask the Senator from Kentucky if it is his understanding that not only is it necessary to have wind tunnels available and to have experiments made in the subsonic area, which is where the bulk of our planes are now, but it is also necessary to have extensive experimentation conducted in the transsonic and supersonic areas, and considerable numbers of persons must be engaged in that work, for the employees at the laboratories cannot very well be conducting experimentation in the subsonic area at the same time they are conducting experimentation in the transsonic or supersonic areas. Is not that correct?

Mr. CHAPMAN. The Senator from California is entirely correct, Mr. President.

There are a great many experiments which must be conducted at the same time if we are to have the Air Force it is our duty and responsibility to have. I have been to all three of the laboratories, at different times, and I have seen the work being conducted there.

Mr. KNOWLAND. Mr. President, if the Senator will further yield, let me inquire if it is not also correct that although generally speaking we are now going into the transonic area and are looking to pilotless aircraft, yet we cannot discuss here in the Senate Chamber the aircraft speeds which were discussed in the subcommittee of which I am a member, although it can be said that such aircraft are going to get up to "mach number" speeds; and unless we keep three or four jumps ahead, we may find that our country is lagging behind at a very critical time in our history.

Mr. CHAPMAN. I believe it to be true that if all members of the Senate had received the information which was imparted to the members of the committee, there would not be a vote against this item.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. GURNEY. Is the Senator from Kentucky acquainted—and if he is not, I should be glad to read what we have in the report—with the fact that last year our appropriation for the same item was $38,652,000? So even with the amendment offered by the Senator from New Hampshire to the committee amendment, we shall still be allocating approximately $3,000,000 or $4,000,000 more than was provided last year.

Later on in the bill it will be noticed that this committee is given $10,100,000 for new construction and new equipment. Of course, a portion of the $10,000,000 is to pay for old contract authority. But there is about $2,700,000 of new money for new construction and new equipment. In addition, as we see in line 25, we give them new contract authority of $10,000,000.

So even with the amendment of the Senator from New Hampshire to the committee amendment, a total of approximately $55,000,000 will go to this committee for research and experimentation for next year. I think that is a sizable amount.

Mr. CHAPMAN. The budget estimate was $9,990,000 more than the bill as passed by the House provides.

Mr. GURNEY. That is correct.

Mr. CHAPMAN. The bill as reported by the Senate committee provides $4,900,000 more than the bill as passed by the House provides. In other words, the Senate committee's recommendation constitutes approximately half the difference between the budget estimate and the amount appropriated by the House of Representatives.

Mr. GURNEY. That is correct. Our committee went about half way in between.

Mr. TOBEY. Mr. President, as I understand, the Senator from Kentucky has said that a part of the appropriations requested is to go for wind tunnels. Let me point out that if we were to supply the tunnels, from the last few days of experience in the Senate it is obvious that there is a superfluity of wind around here which we could also provide. [Laughter.]

Mr. CHAPMAN. Mr. President, I think it would be a great mistake to handicap or hamper in any way the splendid work being done in these laboratories.

Mr. O'MAHONEY. Mr. President, I am grateful to the Senate from Massachusetts [Mr. SALTONSTALL], the Senator from California [Mr. KNOWLAND], the Senator from Connecticut Mr. [MCMAHON], and the Senator from Kentucky [Mr. CHAPMAN] for the very excellent statements they have made in supprt of the committee amendment.

I think I should tell the Senate that much of the testimony which prompted the committee to act as it did was received in executive session. To those of us who were gathered there in the subcommittee, there were presented models and drawings of some of the planes upon which the research work is being done. I am confident that no Member of the Senate could have participated in those hearings without coming away convinced that it would be a great mistake to reduce the appropriation below the amount now recommended. The committee did vote to reduce it below what

was requested by those witnesses; we did so because we realized that there was abroad in the Congress a desire to cut appropriations, regardless of the object of the appropriations.

Mr. President, I was never more serious in my life than I am now when I say to the Senate that in my judgment one of the most important appropriations we can make in the interest of the national defense is the appropriation to maintain the research work of the National Advisory Committee for Aeronautics. The great advantage Hitler had was due to the fact that he had research in advance. Germany did not hold back in utilizing science for warfare. I hope we shall not hold back now in utilizing science for national defense.

I am aware of the fact that many Members of Congress are inclined to think that when they cut an appropriation, they are cutting the amount of money to be expended by bureaucrats. Because of that knowledge, I wish to call the attention of the Members of the Senate to the fact that this committee is composed of 17 of the most noted scientific experts in areonautical research in the United States. This is not a Government bureau in the sense to which Members of the Senate refer when they talk of bureaucrats. I say that without any reflection upon the devoted and able men and women who work in the various agencies and bureaus of the Government of the United States; but we were given evidence which convinced the committee that this appropriation should be increased over the amount provided by the House of Representatives.

As the Senator from California has pointed out, the increased number of personnel are needed in order to operate facilities which already have been provided, but are not yet in operation. We must do that. We cannot hold back.

With respect to the supersonic wind tunnels, let us remember that the development of aircraft in the future will be in the supersonic area. The Senator from California has appropriately reminded us of the demonstration of jet planes recently under the Soviet power. The United States of American won the leadership of the air during World War II. Now we are clipping the wings of the aviators who won the victory. We have cut down the recommended appropriations for the Army Air Forces, and now it is proposed to cut down the appropriations for aeronautical research.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. O'MAHONEY. In a moment. I wish to say to the Senator from New Hampshire there appeared before the Appropriations Committee not only the chairman of the National Advisory Committee for Aeronautics and some of its scientists, but also an admiral of the Navy and an officer from the Army Air Forces. There is coordination. There is no duplication. There is every effort to have this work carried on, and the request for the appropriation is substantiated both by the Navy and the Army and by the Air Forces.

With respect to the wind tunnels, let me read this:

Utility services: Approximately 70 percent of the $1,222,617 increase requested for this purpose is required for the purchase of electric power to permit full-year operation of the Ames 6- by 6-foot supersonic wind tunnel, the Lewis 8- by 6-foot supersonic wind tunnel, the nearly full-year operation of the repowered Langley 16-foot transsonic and 4- by 4-foot supersonic wind tunneis, and the initial operation of other smalier facilities. The balance of the increase is required for more intensive utilization of existing facilities, particularly those providing data in the transsonic and supersonic speed ranges.

The requests which were made on behalf of the committee totaled $9,990,000 above what was allowed by the House. Some of this amount was for personal services, some for utility services, some for supplies and materials, some for equipment, and for miscellaneous, $422,100. We cut $5,000,000 from those requests, and my own feeling is that we gave them none too much.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire to the committee amendment.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question recurs upon agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 42, line 14, after the word "committee", to insert "including the acquisition of that part of Wallops Island, Accomac County, Va., not presently owned by the Government, and not to exceed 1 acre in the vicinity of Wallops Island, Accomac County, Va., adjoining land heretofore acquired by the Government"; and in line 19, after the word "year", to strike out "$10,000,000" and insert "$10,100,000."

The amendment was agreed to.

The next amendment was, under the heading "National Archives," on page 43, after line 14, to insert:

Salaries and expenses, war records: For expenses necessary for the preparation of guides and other finding aids to records of the Second World War, including personal services in the District of Columbia; arranging, titling, scoring, processing, editing, duplication, reproduction, and authentication of photographic and other records (including motion-picture and other films and sound recordings); printing and binding; a health service program as authorized by law (5 U. S. C. 150); and payment of tort claims pursuant to law (28 U. S. C. 2672); $150,000, of which not to exceed $15,000 shall be available immediately.

The amendment was agreed to.

The next amendment was, under the heading "National Capital Housing Authority," on page 44, line 5, after the word "Act", to strike out "$31,410" and insert "$34,900."

The amendment was agreed to.

The next amendment was, under the heading "National Capital Park and Planning Commission," on page 44, line 26, after the word "act", to strike out the following proviso:

Provided, That not exceeding $25,000 of funds available during the current fiscal year may be used for personal services.

And in lieu thereof to insert the following:

Provided, That not exceeding $29,000 of the funds available under the above appropriation during the current fiscal year may be used for regular and part-time personal services of the Commission, excepting services by contract.

The amendment was agreed to.

The next amendment was, on page 45, after line 6, to strike out:

District of Columbia redevelopment project planning: For printing and binding of a comprehensive plan prepared in accordance with the Act of August 2, 1946 (60 Stat. 790), $20,000.

And in lieu thereof to insert the following:

District of Columbia redevelopment project planning: For the preparation of a comprehensive plan to be prepared in accordance with the act of August 2, 1946 (60 Stat. 790), $50,000.

Mr. O'MAHONEY. Mr. President, with respect to this amendment, beginning in line 11, and going through line 14, this suggestion was made as a compromise with respect to the proposal which was made by the distinguished Senator from Nevada [Mr. McCARRAN] with respect to slum clearance in the District of Columbia. It has been discovered since the committee amendment was adopted that the plans for which provisions are made here have already been made, so that the $50,000 here provided is not necessary. I therefore ask that the committee amendment be rejected.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was rejected.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, under the heading "Securities and Exchange Commission," on page 47, line 7, after the word "Columbia", to strike out the comma and "including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents."

The amendment was agreed to.

Mr. MYERS subsequently said: Mr. President, have we considered the Securities and Exchange Commission amendment on page 47, in line 7?

The PRESIDING OFFICER. The committee amendment was considered and agreed to.

Mr. MYERS. I ask unanimous consent that we may return——

Mr. O'MAHONEY. Mr. President, may I suggest to the Senator from Pennsylvania we are operating under the order, taking up the committee amendments first. The amendment which the Senator is interested in would be taken up as an amendment from the floor.

Mr. MYERS. And we may return to that, after all the committee amend-

ments have been acted upon. Is that correct?

The PRESIDING OFFICER. Under the rule which was adopted when the bill was first taken up, the committee amendments must be considered first.

The clerk will state the next committee amendment.

The next amendment was, under the heading "Selective Service System," on page 48, line 2, after "(5 U. S. C. 150)", to strike out "$4,500,000' and insert "$9,000,000."

The amendment was agreed to.

Mr. DOUGLAS subsequently said: Mr. President, may I ask what was done with the committee amendment on page 48, line 2, increasing the appropriation from $4,500,000 to $9,000,000?

The PRESIDING OFFICER. The amendment was agreed to.

Mr. DOUGLAS. I did not hear that action taken. I ask unanimous consent that the vote by which the amendment was agreed to may be reconsidered, in order that I may have a statement by the chairman of the committee as to why the increase is needed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois? The Chair hears none, and the vote by which the amendment was agreed to is reconsidered. The amendment is now before the Senate.

Mr. O'MAHONEY. Mr. President, with respect to the Selective Service System, attention should be called to the fact that the law is still upon the statute books, and that it is necessary under that law for those who are enforcing it to conduct a registration of the young men who are affected by the law. It is true that no draft is being made now, no selectees are being called to the colors. But the young men who come within the specified ages as set forth in the law must be registered, and therefore there must be the local boards, and there must be much more than a skeleton personnel.

The estimate as submitted by the Bureau of the Budget was $16,700,000, as compared with an appropriation last year of $25,000,000. The House committee reduced the appropriation to $9,000,000, and on the floor of the House, by amendment, it was reduced again to $4,500,000. Representatives of the Selective Service System appeared before our committee and asked us to increase the appropriation by $12,200,000. We did not do that, but we did go back to the $9,000,000 recommended by the House committee.

Mr. DOUGLAS. If the distinguished Senator from Wyoming will yield, I ask him whether the estimate or recommendation of the Budget Bureau for $16,700,000 was not based on the assumption that we would have universal military training?

Mr. O'MAHONEY. No; I do not think it was. That is not my understanding.

Mr. DOUGLAS. The President's budget carried an item of $16,700,000 extra for universal military training. The budget estimate was submitted on the assumption that universal military training would go into effect, was it not?

Mr. O'MAHONEY. The original budget estimate was adjusted to the President's recommendation of $16,700,000, on the assumption there would be no draft of men in 1950. It has since been cut twice, on that assumption, first, to $9,000,000, and then to $4,500,000. The budget estimate was based on the belief that $16,700,000 would be needed to carry on the operation.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, under the heading "Smithsonian Institution," on page 50, line 3, after the word "grounds", to strike out "$1,057,700" and insert "$1,087,700."

The amendment was agreed to.

The next amendment was, under the heading "Tariff Commission," on page 50, line 16, after "(5 U. S. C. 55a)", to strike out "$1,200,000" and insert "$1,275,000."

The amendment was agreed to.

The next amendment was, under the heading "United States Maritime Commission," on page 51, line 21, after the word "Commission", to strike out "$62,380,424" and insert "$63,054,424."

Mr. WILLIAMS. Mr. President, the Senate is proposing to appropriate for the Maritime Commission $63,054,424, or approximately $1,250,000 more than was provided in the House bill. I, therefore, move that the figure "$63,054,424" be stricken out and that the figure "$59,901,703" be substituted therefor. This represents a 5-percent decrease in the committee's proposal for the Maritime Commission. It would affect approximately 400 of the personnel, leaving the Maritime Commission three times as much personnel as it had at any time prior to the war. In March 1941, it operated with 1,875 employees, representing less than half the number which it is now requesting. In 1938 it operated all departments with 1,073 employees, or 25 percent of the number of employees it will have after the adoption of this amendment. I feel constrained to request that the number be reduced further than that, in view of the argument made by the Senator from Wyoming last night when it was decided that the General Accounting Office had done such a magnificent job, and in view of the fact that the Maritime Commission is doing such a lousy job with the money we are appropriating for it.

Mr. O'MAHONEY. Mr. President, in all rationality I want it clearly understood that the increased personnel is not to go into the administrative office in Washington. As I think the table before the Senators shows, there is an increase of personnel in shipyards and in warehouses, but the principal increase is in the reserve fleet. The reserve fleet is important. I think much can be said in criticism of the operations of the contract activities, the differential subsidies, and the contract authorities which the Maritime Commission has. Later on, by authority of the committee, I shall offer a legislative amendment with respect to contract authority, so as to make certain that when we issue contract authority to the Maritime Commission it shall not be issued as a blank check, but that the Maritime Commission will be compelled to exercise a great deal more care than has been exercised in the past, by reporting to the Congress. I should like to read to the Senate the amendment on contract authority which will presently be offered, in order to deal with this subject. But there can be no doubt that the Maritime Commission does perform an important function, and we should be careful to see that that function is adequately carried out.

The legislative amendment which I shall presently propose on behalf of the committee reads as follows:

No part of this contract authority shall be used to start any new ship construction for which an estimate was not included in the budget for the current fiscal year, or to start any new ship construction the currently estimated cost of which exceeds by 10 percent the estimated cost included therefor in such budget.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WILLIAMS. To what section of the bill does that amendment apply?

Mr. O'MAHONEY. Page 52, line 23.

Mr. WILLIAMS. We are not discussing that amendment.

Mr. O'MAHONEY. No; I am only indicating what the committee has done in its effort to hold down appropriations.

Mr. WILLIAMS. I should like to point out that what we are discussing is the subject of personnel of the Maritime Commission. The amendment the Senator is referring to has nothing to do with that.

Mr. O'MAHONEY. That is correct; but we are endeavoring to place some restrictions, real restrictions, upon the exercise of contract authority, and therefore the committee has been seeking to promote economy.

I have pointed out with respect to personnel that the increase of personnel provided for in the bill is not in the item which the Senator is discussing, but will be for the reserve fleet, for the shipyards, and for warehouses.

Mr. WILLIAMS. Mr. President, the Senator from Wyoming is somewhat confused. According to the committee report, the House is providing for 4,313 employees. The Senate is trying to increase that number by 231. I have in my hand the report of the Civil Service Commission which is supposed to include all paid employees, both inside and outside continental United States. Under the Maritime Commission are found the employees to whom the Senator has referred.

In 1941 there were 1,875 employees, as compared with the 4,000 we are asked to give the Commission at this time. In 1938 the Maritime Commission operated all its departments with 1,073 employees, or 25 percent of the number of employees it will have after the adoption of this amendment. It is true that the Commission has fewer employees than it had during the war, but I should like to remind the Senator from Wyoming that the war is over, and the Commission surely cannot expect in peacetime to maintain the wartime level of employment.

Mr. O'MAHONEY. Mr. President, I am very glad the Senator from Delaware has made that statement, because it amply demonstrates that the word "confused" should not be applied to the Senator from Wyoming, but to the Senator from Delaware.

Mr. WILLIAMS. Does the Senator from Wyoming contend that the war is not over?

Mr. O'MAHONEY. The increase in the reserve fleet is because vessels which were utilized during the war are now placed in the reserve fleet and are under the care of the Maritime Commission. Therefore the personnel had to be increased for that purpose.

The committee amendment will have the effect of increasing the number of personnel from 4,313 to 4,554; that is to say, 241. That is an increase above the House figure. The increases are in the following categories:

Shipyards, from 96 to 104; warehouses, 150 to 162; reserve fleet, 2,019 to 2,240.

So the Senator will see that the increased personnel for the reserve fleet amounts to 221, and the other increases are in shipyards and warehouses. So the increase is not, as I stated at the beginning, in the item which the Senator from Delaware has been discussing.

Mr. WILLIAMS. I am not discussing the increase, necessarily. I am discussing the over-all picture of the Maritime Commission. If the amendment be adopted, reducing the amount 5 percent, the Commission will still have approximately 2½ times as many employees as it had at any time prior to the war, and four times as many as it had in 1938. It will have more employees than it had 6 months after the war started. Certainly if we are ever going to cut back expenditures, now is the time.

The Senator from Wyoming last night emphasized the fact, and I am somewhat inclined to agree with him—the Senate agreed, anyway—that the General Accounting Office should have its full requested appropriation because it had done such a fine job. We all recognize that the Maritime Commission has done one of the worst jobs of any department in Washington. The General Accounting Office has stated that the books of the Maritime Commission were in the worst shape it had ever found them. The year before that it was stated that they were worse than they had even been up to that time. I think it is about time we put a check on the Maritime Commission. There is so much confusion there that if we can get rid of some employees, so that each one will know what his job is, it might be possible to improve the situation.

With the adoption of the amendment the Maritime Commission, over all, will have 2½ more employees than it had prior to the war. I certainly hope the Senate will adopt my amendment.

Mr. O'MAHONEY. Mr. President, the committee has reduced the appropriation and the authority. On page 52, line 22, it will be observed that the House gave the Commission contract authority in the amount of $70,125,000. The committee reduced that to $50,000,000.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WILLIAMS. I should like to point out to the Senator once again that we are not discussing the amendment on page 52, line 22. We are discussing the amendment on page 51, line 21, involving the appropriation which covers employees. When we reach the next page, we will discuss that amendment.

Mr. O'MAHONEY. Mr. President, what the Senator says gives the impression that the committee has been increasing these appropriations. I want the Senate to know that on the over-all we have made a reduction in the amount of money which will be at the command of the Maritime Commission during the next fiscal year.

Mr. WILLIAMS. Mr. President, the Senator from Wyoming just made an excellent argument for the amendment I have proposed, because he says that on the following page he is going to propose a reduction in the amount of money which the Commission will have to spend; yet on page 51 he is going to give them more employees and spend less money.

Mr. O'MAHONEY. That is in the administrative field, which will be necessary, in the judgment of the committee, to carry on functions which cannot be avoided.

Mr. WILLIAMS. I still urge that the Senate adopt the amendment, and I do so particularly in view of the fact that the bill has been on the Senate calendar since July 8, and during this time 62 Members of the Senate have gone on record as favoring a 5-percent cut, exactly what I am proposing by my amendment. There is nothing in the resolution 62 Members of the Senate signed which suggests that appropriations be cut in all the departments except the Maritime Commission. No; we want to cut the Maritime Commission appropriation also.

Again, we are all trying to get on the band wagon, so to speak, by favoring a reduction in excise taxes. I want it to appear in the RECORD that, in my opinion, in answering the roll calls on the pending bill, we are voting on the prospective taxes which will be levied because if we cannot reduce these appropriations, it is idiotic to talk about reducing taxes.

AUTHORIZATION TO REPORT THE ECA APPROPRIATION BILL DURING RECESS

Mr. HAYDEN. Mr. President, at the request of the Senator from Tennessee [Mr. MCKELLAR] I ask unanimous consent that the Committee on Appropriations may have authority to report back to the Senate H. R. 4830, the bill making appropriations for foreign aid, during the recess of the Senate between now and Monday.

The PRESIDING OFFICER. Is there objection?

Mr. WHERRY. Mr. President, there will be no objection voiced by me, but I should like to ask the acting majority leader how long he thinks it will take to get action on the bill, if the Senate may care to take a recess. If he has contacted the chairman of the Committee on Appropriations, I should like to have him tell us how long it is expected the committee will sit tonight. I make the inquiry because some of us are very much interested in getting the ECA bill in shape to report back.

Mr. MYERS. The Senator from Wyoming, as well as the minority leader, the Senator from Nebraska, are members of the Committee on Appropriations, and desire to attend the meeting which was called for about 5 o'clock. The majority leader has suggested that the Senate take a recess at 5:30.

The PRESIDING OFFICER. No objection being interposed, the unanimous consent request of the Senator from Arizona is agreed to.

Mr. WHERRY. Mr. President, does the Senator from Wyoming expect a vote between now and 5:30 o'clock on the pending amendment or any other amendment?

Mr. O'MAHONEY. I am not going to ask for any vote.

Mr. WHERRY. Some of the Senators who desire to go to the meeting of the Committee on Appropriations wondered whether there would be a vote.

Mr. FERGUSON. I am satisfied there will be a vote, because the Senator from Delaware is anxious for a vote.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

Mr. AIKEN. Mr. President, I should like to have some information in connection with the appropriation for the Maritime Commission. On the top of page 53 I read this language:

Provided further, That any funds and contract authority available for new ship construction under the limitation herein, and any funds and contract authority available for new ship construction in the Supplemental Independent Offices Appropriation Act, 1949, shall be available during the fiscal year 1950 in such amounts as may be necessary, in the wise discretion of the Commissioners in all the circumstances, for use in acquisition and completion of the vessels *Mariposa* and *Monterey*, or either of them, as authorized in the said Supplemental Independent Offices Appropriation Act, 1949.

Mr. President, in reading the House committee report on the pending bill I find the following statement on page 32:

In continuing this provision the committee wishes to make it clear that action taken is left to the discretion of the Commissioners, and that in acquiring the *Monterey* or the *Mariposa* or both from Oceanic and in their sale to another United States-flag operator it is to be understood that the Commission may resell such ships on mortgage terms or may contribute a construction differential subsidy to the cost of improvements to the vessels or both, but that it may not "bail out" Oceanic for its managerial mistakes.

I see nothing in the text of the bill relating to the bailing out, or any prohibition against bailing out Oceanic because of managerial mistakes. Can the Senator from Wyoming advise the Senate what

those managerial mistakes referred to may be?

Mr. O'MAHONEY. Mr. President, the Senator from Vermont has addressed an inquiry to me with respect to the provisions in the bill dealing with the reconversion and improvement of the vessels *Mariposa* and *Monterey*. I am very happy the Senator has raised this question, because it aroused my interest in the hearings of the committee.

I have not seen the report from which the Senator read, but I listened to the language, and it is familiar to me. I am sure it is the report of the subcommittee he is quoting. The language to which the Senator referred, the warning against bailing out the owners, was in the subcommittee report, but it did not appear in the final report which came to us.

We checked upon this matter—and the Senator will find the evidence upon it—and because of that we did two things. We inserted the word "wise" in line 8, page 53, and the words "in all the circumstances" in the same line, so that there is an injunction in the bill which calls to the attention of the Maritime Commission the necessity of using its wise discretion in all the circumstances for the use and acquisition and completion of the vessels *Mariposa* and *Monterey*.

Mr. President, it appears that these two vessels, which were the property of the Oceanic Steamship Co., which in turn is a subsidiary of the Matson Line, were used by the Government during the war. They were, after the war, to be returned to the owners, that is to say the Oceanic Steamship Co. The owners were entitled to have them reconditioned, that is to say restored to the condition in which they were previously. It was desired, however, to have some improvements made. The bids apparently were secured by the Maritime Commission to have this work done at the Newport News shipyard at the price of about eight and one-half million dollars each.

Mr. AIKEN. Eight million two hundred thousand dollars each. That was the firm bid.

Mr. O'MAHONEY. That was the firm bid by the east-coast shipbuilding company, a well-equipped company. But the owners wanted the work to be done in the shipyards of the Matson Line on the Pacific coast. The work was undertaken and the cost greatly exceeded not only the bid which was offered by the east-coast shipbuilders, but exceeded the estimates of the Matson Line and the Oceanic Steamship Line itself, so that they were compelled to abandon the rehabilitation and reconversion and improvement.

An effort was made thereafter to have one of these vessels turned over to the Oceanic Co. for the amount of work which had already been done, and then that the Maritime Commission should take back the other ship, thereby relieving the owners of the burden of the managerial mistakes to which the Senator refers.

The Senate committee, in order to make certain that it should not be overlooked, wrote this paragraph into the report:

> The Senate committee has taken note of the report of the House committee concerning the ships *Mariposa* and *Monterey*. This committee wishes to stress that the Maritime Commission, with its discretionary power, should protect the interests of the United States in all such negotiations.

But as chairman of the committee I undertook to go a step further, and I wrote a letter to General Fleming, the Chairman of the United States Maritime Commission. I shall read the letter into the record. It will be in response to the inquiry of the Senator from Vermont. The letter was dated July 13, 1949, addressed to Maj. Gen. Philip B. Fleming, Chairman, United States Maritime Commission, Washington, D. C., and is as follows:

> DEAR GENERAL: You will recall my telephone conversation with you shortly after the hearings on the independent offices appropriation bill at which witnesses for the Maritime Commission were heard. I called your attention at that time to the testimony with respect to the reconversion and improvement of the ships *Mariposa* and *Monterey*, which was given both before the House and the Senate subcommittees.
>
> It was with this in mind that the Senate committee has written into its report, on page 10, the following paragraph:
>
> "The Senate committee has taken note of the report of the House committee concerning the ships *Mariposa* and *Monterey*. This committee wishes to stress that the Maritime Commission, with its discretionary power, should protect the interests of the United States in all such negotiations."

Then I proceed in the letter:

> In addition to the foregoing, the committee amended the paragraph of the bill dealing with the acquisition and completion of the two vessels by inserting the word "wise" before the word "discretion" and the words "in all the circumstances" after the word "Commissioners," so that the sentence reads:

Then I set it forth as it appears in the bill. The letter continues:

> The purpose of these amendments was to emphasize the concern of the committee with respect to the action that may be taken for the restoration, improvement or purchase of one or both of these vessels.
>
> It is my understanding that the cost of reconversion and improvement of the two vessels was so vastly in excess of original estimates and bids that the work was finally abandoned and that there has now been some discussion of applying the unpaid balance upon one of the vessels and having the Maritime Commission purchase the other. It is my understanding, further, that under the law the Maritime Commission may not acquire any vessel in these circumstances unless it has a known purchaser. Without such a purchaser a vessel now acquired by the Maritime Commission would in all probability have to be laid up with other vessels now in the reserve fleet.
>
> The committee did not have sufficient time to hold a detailed hearing upon the matter and I therefore take the liberty of calling your attention to the circumstances which led the committee to amend the bill and to make the statement contained in the report.
>
> Sincerely yours.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. AIKEN. Does the Senator from Wyoming believe that that letter is sufficiently binding to prevent the Maritime Commission from bailing out the steamship company?

Mr. O'MAHONEY. Mr. President, I believe the Maritime Commission has been put sufficiently on notice so there is no danger of that.

Mr. AIKEN. Does not the Senator from Wyoming understand that three of the five members of the Maritime Commission are apparently in favor of bailing out this steamship company, and that one of them has already asked to have the matter reopened?

Mr. O'MAHONEY. I was not aware of that.

Mr. AIKEN. Furthermore, does not the Senator understand that when these two ships, the *Mariposa* and the *Monterey* were returned to Oceanic there was a flat allowance made by the War Shipping Administration on each vessel which ran between $5,000,000 and $6,000,000 for each one?

Mr. O'MAHONEY. I do not have the figures in mind. What the Senator says bears out what I said in the letter to General Fleming. The circumstances are as the Senator describes them, but what the exact figures were I do not know.

Mr. AIKEN. The War Shipping Administration made an allowance of $6,000,000 on each vessel, and the ship company at that time expressed itself as being very well pleased with the deal. Then bids were called for, for the reconversion of the vessels plus some improvements which the company desired for itself. The Newport News Shipbuilding Co. bid $8,200,000 on each of the vessels for reconverting them and fixing them up with improvements. Incidentally both ships are 18 years old. However, rather than let this firm contract to have the work done for $8,200,000 for each ship, the Oceanic turned the business over to——

Mr. O'MAHONEY. To the Matson Line shipyard.

Mr. AIKEN. The United Engineering Co., which is a subsidiary of the Matson Line, and as the work progressed—it was about two-thirds completed on one of the boats and one-third completed in the other—it was found that it was going to cost, not the $8,200,000 which had been bid by the Newport News Co., but more than $15,000,000 per boat in the way the work was being done.

Mr. O'MAHONEY. Mr. President, I may say to the Senator that there are specific provisions of law already existing which I think must guide the Commission. One of these is section 215 of the Merchant Marine Act of 1936. Then there is section 502 (g) of the 1936 act, and section 501 (c). These sections provide the specific conditions under which the Maritime Commission may acquire vessels. It may not do it unless it has a present contract of resale so as to protect the Government.

Mr. SALTONSTALL. Mr. President, will the Senator from Wyoming yield?

Mr. AIKEN. In a moment. What I am trying to do is to get into the RECORD the information from the Senator from Wyoming, so as to make it impossible for the Maritime Commission to dip into the United States Treasury for $10,200,000, which is what it would amount to, and make a present of it to the Oceanic Steamship Line, or a subsidiary of the Matson Line.

Mr. O'MAHONEY. Mr. President, I think the committee, in the bill and in the report, has said exactly what the Senator from Vermont has been saying, but in more diplomatic and less blunt language.

Mr. AIKEN. Almost any language is more diplomatic than what the Senator from Vermont uses.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. TOBEY. I merely wish to point out for the benefit of the Senate that the language which the distinguished Senator from Vermont used is typical Vermontese. He uses language to convey thought, not to conceal it. There is truth and integrity behind Vermont language, and there is a punch in it.

Mr. O'MAHONEY. We will all agree to that.

Mr. AIKEN. I thank the Senator from New Hampshire.

I should like to ask this question, which the Senator from Wyoming has already partially answered: Does the statement made by the committee mean that the Maritime Commission can not use Government funds to purchase one or both of the vessels, unless the Commission has a simultaneous sale therefor?

Mr. O'MAHONEY. Precisely. It must carry out the law.

Mr. AIKEN. Mr. President, will the Senator further yield?

The PRESIDING OFFICER (Mr. STENNIS in the chair). Does the Senator from Wyoming yield to the Senator from Vermont?

Mr. O'MAHONEY. I yield.

Mr. AIKEN. Does the language of the committee mean that there can be no further donations by the Commission for putting vessels into operation, except perhaps a construction differential subsidy allowance on such improvements as may be added to the vessel in the event the Commission buys it for sale to another operator?

Mr. O'MAHONEY. That is my judgment. I do not wish to use the word "further." I do not want to assume that there have been any gifts. We have not investigated that question. Certainly the committee is against any gifts.

Mr. AIKEN. Let me quote from the Senate committee report:

> The Senate committee has taken note of the report of the House committee concerning the ships *Mariposa* and *Monterey*. This committee wishes to stress that the Maritime Commission, with its discretionary power, should protect the interests of United States in all such negotiations.

Is it a fair assumption that the Senate committee agrees with the view of the House subcommittee, from whose report I first read?

Mr. O'MAHONEY. So far as the present spokesman of this committee is concerned, that is precisely our view.

Mr. AIKEN. If the Maritime Commission uses any number of millions of dollars in bailing out this steamship line from a predicament into which it got itself involved, it will be acting directly against the intent of the Congress.

Mr. O'MAHONEY. That is my view.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. SALTONSTALL. I merely wish to add my word to that of the Senator from Vermont. The chairman of the subcommittee will recall that he and I had an interview with Mr. Marshall, manager of the Maritime Commission. He had a very thorough understanding of the problems involved in the *Mariposa* and *Monterey* cases. He stated to us very emphatically that there would be no gift, that there would be no money put in unless there was a contract of resale. I certainly came away from that meeting, where the Senator from Wyoming and I were with Mr. Marshall for more than an hour, with the firm conviction that there would be no Government money wasted.

Mr. O'MAHONEY. I am very happy that the Senator from Massachusetts has reported that conversation to the Senate. Mr. Marshall assured us personally that the Commission had no intention of doing anything except that which is outlined here.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. FERGUSON. I merely wish to make sure that the RECORD is clear with respect to one item. If the United States Government puts a certain amount of money into these two vessels, as has been indicated, there must be a sale for them. Must the Commission have a sale under such conditions that it will not lose anything it has put in?

Mr. O'MAHONEY. The provision of law which governs such transactions is, I believe, section 502 (g) of the Maritime Act of 1936. As I understand, that section provides that a vessel may not be bought unless there is a simultaneous opportunity for resale to another United States flag operator.

Mr. FERGUSON. But the resale does not mean at a price such that there will not be any loss.

Mr. O'MAHONEY. Oh, no; there is no subsidy involved in such a resale, as I understand.

Mr. FERGUSON. That is what I wanted to be sure of—that in case of such resale there will be no subsidy.

Mr. O'MAHONEY. That is certainly my understanding of the law. I am frank to say that I have not read the law today.

Mr. MAGNUSON. That is correct.

Mr. O'MAHONEY. The Senator from Washington, who is a member of the Committee on Interstate and Foreign Commerce, says that that is a correct interpretation.

Mr. FERGUSON. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield.

Mr. FERGUSON. I should like to make a few remarks on the amendment before I leave to attend an Appropriations Committee meeting.

Mr. O'MAHONEY. In view of the fact that we have agreed to take a recess at 5:30, and the fact that it is quite obvious that we would have to have a quorum call, I was about to say that I shall ask the Senate not to vote on the amendment now, but take a recess.

Mr. FERGUSON. Then I can obtain the floor on Monday.

Mr. MAGNUSON. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield.

Mr. MAGNUSON. I should like to have the attention of the Senator from Michigan also.

I think the RECORD should show that in this particular case, which is a matter about which most of us know, there is an obligation on the Government to recondition these ships to a certain degree and return them; but the argument is over the amount.

Mr. O'MAHONEY. That is just what the Senator from Vermont wants to know. He wants to know whether the Federal Government is going to put in a great amount of money, and then give the vessels back to the line. Is not that correct?

Mr. AIKEN. That is entirely correct. As I understand, it would cost the Federal Government $10,200,000 more than it has already allowed the company, in order to do that.

Mr. FERGUSON. So we would suffer a direct loss of $10,200,000.

Mr. AIKEN. That is correct.

Mr. FERGUSON. That is what the Senator from Vermont wants to be assured will not happen.

Mr. AIKEN. The thing that concerns me is learning that one of the Commissioners has already asked to have the case reopened, so as to revise the redelivery settlement contract between the War Shipping Administration and the Oceanic Co., to enable the Commission to do things which it ought not to do.

Mr. FERGUSON. That is the reason why the Senator from Michigan asked the Senator from Wyoming if there could be a differential which would amount to a subsidy.

Mr. MAGNUSON. Under the law that could be done; but I feel just as the Senator from Massachusetts and the Senator from Wyoming feel. This matter has been so much in the limelight that I cannot believe the Commission would make any such arrangement with this company without consultation not only with Members of Congress, but with the President of the United States himself. Under the law the Commission could do some of the things of which the Senator from Vermont is fearful; but I have sufficient faith in General Fleming to believe that nothing of that kind could happen.

Mr. FERGUSON. I hope the Senate takes some action in this bill which will prohibit such a thing, because the past experience of the Senator from Michigan—and I am sure that of the Senator from Vermont—is such that we know that the Maritime Commission has often had a disregard for the law. I think the record clearly shows that to be so.

Mr. AIKEN. Mr. President, I should like to express full confidence in General Fleming, but I have a great deal of fear that he may be in the minority on the Commission in this particular case.

That is why I believe that the Senate should tie this provision down so as to make sure that the majority of the Commission cannot take $10,000,000 or more of tax money and virtually make a present of it to a steamship company.

Mr. O'MAHONEY. Mr. President——

Mr. AIKEN. These ships are within 2 years of reaching the retirement age. They are 18 years old. Under the law they will have no cash value after they are 20 years old.

Mr. O'MAHONEY. Mr. President, as I have said before, I quite agree with the statements of the Senator from Vermont. The committee did not write a legislative amendment, because the committee is aware of the rule against legislation upon an appropriation bill. Therefore, so far as the subcommittee was concerned, when we knowingly proposed any legislation we filed notice of a motion to suspend the rule. Three such notices were filed by the chairman.

In this connection it was deemed that the admonition in the report of the House subcommittee, the admonition in the report of the Senate committee, and the change of language in the bill itself, as reported by the committee, coupled finally with the letter from the chairman of the subcommittee to the chairman of the Maritime Commission, would make certain that the law would be carried out.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MAGNUSON. I think possibly the better procedure would be to have the Senate Committee on Interstate and Foreign Commerce, which is aware of this situation, also send a communication to the Maritime Commission suggesting that before any proposal is acted upon by the Maritime Commission with respect to these two vessels the proposal be subject to the scrutiny not only of the legislative committee of the Senate, but also of the appropriations subcommittee.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I am happy to yield.

Mr. SCHOEPPEL. Is the Senator conversant with the memorandum which was directed to the Maritime Commission by Commissioner Raymond McKeough?

Mr. O'MAHONEY. Yes; I have been aware of it; I have seen it. Mr. McKeough appeared before the committee and testified there.

Mr. SCHOEPPEL. If it is a memorandum dated July 18, 1949.

Mr. O'MAHONEY. Yes; I have seen that memorandum.

Mr. President, I should like the RECORD clearly to show that I am not only familiar with the memorandum, but Commissioner McKeough appeared with the Commission at the hearings; and in response to inquiries by the chairman of the subcommittee, he gave the subcommittee information with respect to the situation. I am confident that Commissioner McKeough agrees completely with everything the committee has done, and desires to protect the United States from any waste of funds.

Mr. DOUGLAS. Mr. President, I should like to inquire of the Senator from Wyoming if it is not a fact that in connection with the action the Maritime Commission took, and for which I think the Commission has very properly been criticized, there was one member who constantly dissented from the decisions of the Maritime Commission, and sought at all times to protect the interest of the public. I refer to the Honorable Raymond S. McKeough, who is a distinguished citizen of the State of Illinois. Is it not true that Commissioner McKeough was a constant dissenter from the policies of the Maritime Commission which have been criticized here this afternoon?

Mr. O'MAHONEY. Whether he was a constant dissenter, I do not know. I cannot testify as to whether Commissioner McKeough was constantly dissenting. I think he probably has done some cooperating, too. But I am satisfied that he was a dissenter with respect to some of the suggestions which have been made with respect to the *Monterey* and the *Mariposa,* which have been criticized today and have been criticized by the committee.

I am very happy to know that the Senator from Illinois, who comes from the same State which Commissioner McKeough represented in the House of Representatives with honor and distinction for several terms, rises to call attention to the sterling character of the service he has rendered.

THE FALL FILM FESTIVAL

Mr. MYERS. Mr. President, I am about to suggest that the Senate proceed to consider executive business. We agreed that the Senate would take a recess at about 5:30 p. m. today. I understand that the Senator from Oregon [Mr. MORSE] has a few remarks he wishes to make at this time. I now yield to him.

Mr. MORSE. Mr. President, I should like to call the Senate's attention to the proposal for a fall film festival to be celebrated in October in every State, city, village, and hamlet of the United States.

We all know the great role that the motion-picture producers, distributors, and exhibitors played during the war. They worked together, side by side; the big, the small, the affiliated, and the unaffiliated worked for a common objective. They sold war bonds, made and distributed pictures for our armed forces, and sponsored, created, and supplied the lifeblood of the entertainment for the USO camps. They demonstrated that all the different segments of this great industry can and do work together for the good of America.

It is proposed that in October we witness, for the first time in the history of this country, a rennaissance of motion pictures. Gael Sullivan, who is executive director of the Theatre Owners of America, has proposed that during that month the five major motion-picture producers release two of their top productions, and that each of the smaller producers release one of its best pictures, to be shown throughout the United States during the film festival. Mr. Sullivan proposes to coordinate the film festival activities, a committee which would have among its members every important segment of the industry. The committee consists of the following:

Eric Johnston, Motion Picture Association of America.

Ellis Arnall, Society of Independent Motion Picture Producers.

Max Youngstein, Associated Motion Picture Advertisers, Inc.

Abe Montague, vice president and sales manager, Columbia Pictures, Inc.

William Rogers, general manager of sales distribution, Loew's, Inc.

Andrew W. Smith, Jr., vice president in charge of domestic distribution, Twentieth Century-Fox.

Ted R. Gamble, chairman of the board, Theatre Owners of America.

Abram F. Myers, general counsel and chairman of the board, Allied States Association of Motion Picture Exhibitors.

Rotus Harvey, president, Pacific Coast Conference of Independent Theatre Owners.

The proposal for a fall film festival has been greeted everywhere with enthusiasm. I wish to add my voice to those who not only approve but affirmatively support and champion the idea. We have a right to be proud of the great pictures which we have produced in America. The pictures of no other country can compare with them. These pictures—whether adaptations from literature or original stories, whether comedy or tragedy, or whether historical or fictional—represent a cross-section of America, and were produced in a free-enterprise system. They were produced for our entertainment and education. During the month of October, all America will have the opportunity, once again, to see the best 20 of these pictures.

I think America is fortunate in having a man of Mr. Sullivan's vision and drive in this important industry. In the fall film festival he has presented not only a new idea but a new vision—a vision of a festive occasion when America will reenjoy the best of its creative talents.

At this point, I should like to include in my remarks Mr. Sullivan's memorandum on the fall film festival, and I wish to state that I hope all my colleagues in the Senate will make it a point to go to the movies frequently during that month, while they are back home, when all of us shall have an opportunity to see the best that has ever been produced in motion pictures.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

NO TIME FOR JITTERS

This is no time for the motion-picture industry to get the jitters, no time for finger pointing by anyone in production, distribution, or exhibition at who is to blame for the slump in box office.

This is the time for planning, production, and promotion—planning to do when we can't do what we are doing now—producing a continuing quality of product that appeals to an America that has grown more aware and selective, promoting appeals for theater attendance that avoids the hokum and extravagant ballyhoo of the carnival barker.

America as a nation has grown up. The instincts of our people in selecting food, clothing, housing, and leisure-time pursuits has matured.

When the market dwindles for any product the executives directing the enterprise ask why.

"More power to you, Senator. Protect our rights from the racketeering big-shots. Retain the Taft-Hartley law."

Well, now, what else, should we plan for and fight for on Labor Day, 1949, and every other day of the year?

TAXES ARE CUTTING TAKE-HOME PAY

Here's an item—a big item—tax reduction. Laboring men recognize that if business is paralyzed by heavy taxes, it cannot possibly expand and create new jobs or for that matter, keep old jobs. Right now, every American working man is giving around 1 day out of every week to the Government in Federal taxes. Right now, in fact, taxes in our country take up over 30 percent of the whole national income. The Federal Government is gobbling up so much taxes that the State and localities in Wisconsin find that they have no items to tax to support their own operations.

Working men recognize these facts. They have written to me endorsing the tax repeal legislation which I have introduced—the legislation to end taxes on leather goods, furs, jewelry, cosmetics, telegrams, household appliances, and hundreds of other items. They know these taxes cause unemployment.

A union official in West Bend, Wis., writes:

"I want to personally thank you for your effort for the repeal of the tax on personal leather goods. You are on the right track for our jobs in the leather factory that I am an employee of will benefit greatly by that bill. I consider a billfold not a 'luxury' item and cannot and have not ever seen why they were taxed. The repeal of the tax I'm sure will mean a greater sale in billfolds and that is what we all want in this country—our products to be sold. That way there will be work for us and other people like ourselves connected with the leather industry and industry on a whole. I would appreciate it very much if you could send me a copy of your bill."

A musicians' union secretary in Kenosha emphasizes importance of tax relief:

"Please rest assured that we are behind you 100 percent in trying to eliminate this entertainment tax. I know that the American Federation of Musicians will be extremely grateful to you and we take our hats off to you for rendering a great service to the American public."

Right along the line of tax reduction, workingmen recognize, too, that economy is necessary in Government operations. So long as we have a $44,00_,000,000 budget, we are going to have heavy taxes. Therefore, workers support necessary cuts in Government appropriations wherever possible. Federal economy means less taxes which means more jobs.

These, then, and other actions are necessary if we are to pay a real tribute to American labor in 1949 and any other year.

The fellows in overalls today wore military and naval uniforms but a few years ago. They love this wonderful country—they've fought and bled for it. They want their kids to grow up and prosper in it—in the free American way.

DEBUNKING THE SMEAR WORDS

They recognize that the labor racketeers will smear the men who believe in free enterprise. The bigsters will call them "anti-labor," "reactionary," and every other smear word, even though the men they smear came up themselves from the ranks of labor.

CONCLUSION

Let's not be a sucker for smear-artists. Let all of us who believe in America—who believe in decent wages, decent hours, decent working conditions, fair taxes, stand together for a strong, united America on Labor Day and every day.

ARMY, NAVY, AND AIR FORCE NOMINATIONS

Mr. TYDINGS. Mr. President, I ask unanimous consent to submit from the Committee on Armed Services favorable reports on certain routine appointments and promotions in the Army, Navy, and Air Force, to which no single objection has been made. The report is made by unanimous vote of the committee.

The VICE PRESIDENT. Without objection, the report will be received.

Mr. TYDINGS. Mr. President, I ask that the nominations be considered at this time, that they be confirmed, and that the President be immediately notified.

The VICE PRESIDENT. Is there objection to the request of the Senator from Maryland? The Chair hears none, and, without objection, the nominations are confirmed en bloc, and the President will be notified at once.

ADJUSTMENT OF LINEAL POSITIONS OF CERTAIN NAVAL OFFICERS

Mr. TYDINGS. Mr. President, the Secretary of the Navy this morning called my attention to a situation which I hope will incline the Congress to take immediate action on a bill now on the calendar, House bill 5238. This bill has already been passed by the House and been reported unanimously from the Committee on Armed Services of the Senate. Its title is "To authorize the adjustment of the lineal positions of certain officers of the naval service, and for other purposes."

It so happens that we created some time ago what is known as the limited-duty officer. Some of these men are enlisted men. They are specialists in particular fields. Their commissions will expire on the 7th of August unless House bill 5238 is enacted prior to that time. In view of the fact that the bill has been passed by the House, that it comes to the Senate with the unanimous support of the Armed Services Committee of the Senate, and in view of the further fact that these men are specialists, and are already holding these positions temporarily, and for the further reason that the commissions will expire on the 7th of this month, I ask unanimous consent for the immediate consideration of the bill.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object, I understood the distinguished Senator from Maryland to say that the bill had the unanimous support of the members of the Armed Services Committee of the Senate?

Mr. TYDINGS. That is correct.

Mr. WHERRY. A second question. As I understand, these men are specialists, and hold temporary commissions?

Mr. TYDINGS. That is correct. They are limited-duty officers in specialties.

Mr. WHERRY. Unless their terms are extended, through the passage of the bill, for a year, they will go back to the enlisted ranks, and we might lose their services as specialists.

Mr. TYDINGS. Their commissions expire by law on the 7th of August, this month.

Mr. WHERRY. How many men are involved?

Mr. TYDINGS. Two hundred and fifty.

Mr. WHERRY. Does the Senator know any situation in the Army which is comparable?

Mr. TYDINGS. I do not. These men are in the Navy.

Mr. GURNEY. Mr. President, I join the Senator from Maryland in asking unanimous consent for immediate consideration of the bill.

The VICE PRESIDENT. Is there objection to present consideration of the bill?

There being no objection, the bill (H. R. 5238) to authorize the adjustment of the lineal positions of certain officers of the naval service, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 329) amending an act making temporary appropriations for the fiscal year 1950, and for other purposes.

The message also announced that the House had disagreed to the amendment of the Senate to the joint resolution (H. J. Res. 327) making an additional appropriation for control of emergency outbreaks of insects and plant diseases; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON, Mr. KERR, Mr. RABAUT, Mr. TABER, and Mr. WIGGLESWORTH, were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 1288. An act for the relief of certain officers and members of the crew of the steamship *Taiyuan;*

H. R. 1466. An act for the relief of Daniel Kim;

H. R. 1471. An act for the relief of the Olympic Hotel;

H. R. 1625. An act for the relief of Christine Kono;

H. R. 2084. An act for the relief of Teiko Horikawa and Yoshiko Horikawa; and

H. R. 2850. An act for the relief of Denise Simeon Boutant.

LEGISLATIVE PROGRAM—COMMENTS BY VICE PRESIDENT ON CERTAIN PARLIAMENTARY RULINGS

Mr. WHERRY. Mr. President, may I ask the distinguished majority leader what the legislative program will be after the passage of the independent offices appropriation bill?

Mr. LUCAS. Mr. President, the Senate will proceed with consideration of the independent offices appropriation bill as

the pending business before the Senate. The ECA appropriation bill has just been reported by the Appropriations Committee. It contains some provisions to which at least certain Members of the Senate desire to give some consideration before we take up the bill. However, the Senate may displace the independent offices appropriation bill with the ECA bill sometime later this afternoon, because the ECA is completely out of money, and it is necessary that we take action to dispose of that bill with all convenient speed.

The VICE PRESIDENT. The Chair would like to ask the indulgence of the Senate for a moment. The Chair spent Saturday and Sunday examining the CONGRESSIONAL RECORD and the decisions and opinions and votes of the Senate on matters which were before the Senate last week on points of order, trying to clarify his own mind as to what the rule is with regard to germaneness and also with regard to legislation.

The Chair also feels that he owes former Vice President Wallace an apology for the remark he made describing a decision of his as being illogical. It turns out, after an examination of the RECORD, that the present occupant of the Chair, being then a Senator from Kentucky, took the same position in the debate that Vice President Wallace took in his decision. The Senate overruled the decision of the Chair. The present occupant of the Chair was misinformed, and thought the Chair had ruled as the Senate finally ruled. That is why the present occupant of the Chair made the remark he did. The Chair is sorry about it. But in the interchange of views and conversations between Senators and the Parliamentarian while the Chair has two ears, he can hear only one thing at a time.

The Chair has not yet made up his mind to his own satisfaction as to how clear or muddy this rule is. The Chair would like to read the bill, as it has been reported again, and reread some of the debates on the matter, so that he may be more prepared if points of order are made, to pass upon them without too much delay. It would be an accommodation to the Chair if the ECA bill were not taken up at the moment—perhaps not until tomorrow. The Chair realizes how important it is that the legislation be passed, but it is also important that we clarify the tangled situation in regard to what the rules mean.

Mr. WHERRY. Mr. President, may I inquire of the distinguished majority leader, in the event the ECA bill is not taken up today, what appropriation bill might be taken up this afternoon?

Mr. LUCAS. It is my understanding, from the Senator from Wyoming [Mr. O'MAHONEY] that we will not finish the independent offices appropriation bill this afternoon. If that is the case, we will surely consider the ECA bill before we finish the independent offices appropriation bill.

Mr. O'MAHONEY. Mr. President, that statement was made by the Senator from Wyoming, Mr. President, only by reason of the experience the Senator has had during the past 3 days.

Mr. LUCAS. Mr. President, I am sure the Senator from Wyoming is justified in drawing that conclusion.

Mr. O'MAHONEY. I was led to hope Friday that perhaps we might proceed more speedily in the further consideration of the bill; but that remains to be seen.

Mr. WHERRY. If I may ask another question of the majority leader, has he yet planned whether there will be night sessions this week?

Mr. LUCAS. Mr. President, I seriously doubt whether we will have any night sessions this week. We had two night sessions last week and I do not think we accomplished too much as a result of those night sessions.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Delaware [Mr. WILLIAMS], to the committee amendment, on page 51, line 21, to strike out "$63,054,424", and insert "$59,901,703."

Mr. O'MAHONEY. Mr. President, the committee in reporting this amendment increasing the amount available for salaries and expenses from $62,380,424, as passed by the House, to $63,054,424, has increased the appropriation by only $674,000. Even with that increase, the amount allowed by the committee is 12 percent below the budget estimate. It is in figures below the budget estimate by $9,086,966, the estimate of the Budget Bureau having been $72,141,390. The amendment by the Senator from Delaware, which would reduce the appropriation to $59,901,703, amounts to a cut of almost 17 percent, or $12,239,687. I submit that a reduction of 17 percent, which is 5 percent more than the reduction of 12 percent already made by the committee, is just a little too much.

In view of the fact that General Fleming has been made chairman of the Maritime Commission and is now applying his undoubted abilities as an administrator, and in view of the fact that he has already established a record for economy in the Federal Works Administration, of which he was the head, it would seem to me to be a little excessive to deprive him of the personnel and facilities with which he might be expected to carry on an efficient and effective administration.

I grant, and the committee has felt, that there are savings to be made in the administration of the Maritime Commission. The committee will propose amendments as soon as this one is disposed of. I have already called attention to the fact that there is an amendment to the contract authority. On Friday last we had a long discussion about the handling of the *Mariposa* and the *Monterey*. My position is that we should not make the very steep cut suggested by the Senator from Delaware on this item, but should be content with the cuts which are presented elsewhere.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LANGER. If the amendment of the Senator from Delaware is adopted, how much will be cut from the appropriation for the training of young men at Kings Point, Sheepshead Bay, and the other schools?

Mr. O'MAHONEY. The amendment will not affect those items at all; they are provided for at a different place in the bill.

Mr. LANGER. On page 54?

Mr. O'MAHONEY. Yes; and that is a different item.

Mr. LANGER. Then, the amendment proposed by the Senator from Delaware does not affect that item at all?

Mr. O'MAHONEY. No.

Mr. LANGER. What does it affect?

Mr. O'MAHONEY. It affects the salaries and expenses of the administrative authority of the Maritime Commission, in its headquarters.

Mr. LANGER. I thank the Senator.

Mr. WILLIAMS. Mr. President, if the Senator from Wyoming has finished, I desire to obtain the floor. First, I ask for the yeas and nays on this amendment.

Mr. FLANDERS. Mr. President, I should like to make some inquiries before the voting occurs.

Mr. O'MAHONEY. I shall be very happy to answer any questions I can.

Mr. FLANDERS. I have been very much interested in changing what has seemed to be the Maritime Commission's policy of paying too much attention to old types of luxury transportation across the North Atlantic, and not paying enough attention to the possibilities of developing something equivalent to coach-type railway service across the North Atlantic.

There have been before the Maritime Commission proposals for reconditioning two of the vessels in the Pacific service for this cheaper form of mass transportation across the North Atlantic. I should like to inquire whether, so far as the Senator from Wyoming knows, the appropriation as provided by the House of Representatives permits that project to go ahead.

Mr. O'MAHONEY. Let me say to the Senator from Vermont that that problem is involved, not in this item, but in the contract authorization which is to be found on page 52, in line 22. The House granted contract authority for new ship construction in the amount of $70,125,000. The Senate committee has reduced that amount to $50,000,000. As justification for the $70,000,000 figure, it was proposed by the Maritime Commission that two vessels of the type to which the Senator refers should be constructed for transportation along the Pacific coast of the trailers which so frequently are carried behind motor trucks on the highways. Under this proposal, these two vessels would be constructed in such a way as to afford, so we were told, rather rapid transportation of trailers up and down the Pacific coast. The committee, in making the flat reduction to $50,000,000, did not attempt to make allocation as to the use of the fund among the three purposes which were mentioned in the justification: The construction of these two vessels, the construction of two vessels to

ply between New Orleans and Central America, and the construction of two vessels to ply in the trade between New York and South America. Under this amendment the Commission would act according to its discretion in that matter.

Mr. FLANDERS. The amendment I have in mind relates, not to new construction, but to applying certain safeguards with respect to existing vessels which have been in the Pacific service. I am much concerned with not putting an end to the possibility that those two ships may be reconditioned and safeguarded.

Mr. O'MAHONEY. The contract authorization which is carried in the paragraph beginning in line 12, on page 52, includes new ship construction and the reconditioning and betterment of other vessels, as authorized by title V of the Merchant Marine Act.

Mr. FLANDERS. Is the reduction in the amount of a little more than $20,000,000 solely in connection with the vessels to which the Senator has referred?

Mr. O'MAHONEY. The contract authority which was requested by the Commission was in the amount of $85,000,000, and in the justification it was specified that it would cover the following vessels: The two passenger-carrying vessels to operate in the trade from New York to the Caribbean; two reefers to operate between the Gulf of Mexico and Central America; two passenger-trailer vessels to operate between San Francisco and Los Angeles; a cargo prototype vessel in conjunction with the Navy; a second prototype vessel capable of conversion; a reserve for contract design work with outside naval architects; and miscellaneous betterments, which were not outlined. The total was $85,000,000.

The reduction to $50,000,000 meant that the eliminated $35,000,000 would have to be allocated according to the discretion of the Commission.

Mr. FLANDERS. I am not quite clear in my own mind about this matter, but probably a conference or discussion with General Fleming would be required, in order to ascertain whether this particular matter will be shelved.

Mr. MAGNUSON. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Washington?

Mr. O'MAHONEY. I yield.

Mr. MAGNUSON. In connection with the matter to which the Senator refers, I think both he and I are familiar with the situation. It is my understanding that if the betterments appropriation is sustained, then the Maritime Commission will be in such a position that it will be highly improbable that they will go ahead and allow the so-called betterments for the two ships to which the Senator from Vermont has reference. If, however, there should be a compromise in conference between the House and Senate figures on betterments, the Senate having cut the appropriation to a very small sum, then the possibility of doing what I know the Senator from Vermont has in mind remains with the Commission.

On the other two matters, as to which the Senate cut the authority below the original figure, the Senator from Wyoming can correct me, but as I recall, the original authority requested was in the amount of $82,000,000.

Mr. O'MAHONEY. Eighty-five million dollars.

Mr. MAGNUSON. Eighty-five million dollars. The House cut that to $70,000,000, and the Senate cut it to $50,000,000.

Mr. WILLIAMS. Mr. President, if the Senator will yield, I wonder whether the Senator from Washington is aware of the fact that the provision of the bill which he is discussing now is not the amendment which is before the Senate.

Mr. MAGNUSON. I understand that, but I wanted to clarify my understanding of what is planned to be done, if the Senate cut remains. The Maritime Commission had planned, as the Senator from Wyoming has pointed out, to construct the two ships for the Grace Line, that is, the combination passenger and cargo ship for the Caribbean and South American service, and the construction for the Standard Fruit Co., to operate between New Orleans and Central America. They also allow for two reefers. They also had two plans for the prototypes referred to by the Senator from Wyoming, and they had a new plan for the construction of combination sea trailer ships, which are somewhat revolutionary in maritime matters. But if the Senate cut remains, is is my understanding they would go ahead with the two reefers for the South American trade and the combination passenger-cargo ships for the Caribbean and South American trade, and further, that they would not go ahead with the cargo prototype, in the sum of $5,000,000, and the Navy prototype auxiliary, in the sum of $10,000,000, and probably they would have to abandon for the year the plans for the two revolutionary type of ships which haul truck trailers up and down, which it was proposed to try to operate between Los Angeles and San Francisco. The betterment program which the Senator from Vermont is talking about will be seriously curtailed if the Senate committee's figure remains.

Mr. FERGUSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Michigan?

Mr. WILLIAMS. I yield.

Mr. FERGUSON. Mr. President, the able Senator from Wyoming has indicated this morning that the amendment of the Senator from Delaware would make too severe a cut, and would be 17 percent below the budget estimate. I merely want to remind the Senator of the fact that when the Committee on Expenditures in the Executive Departments list year made an investigation of the Maritime Commission, they estimated that there could be a 20-percent cut, and that as a reasonable estimate the savings that should result would be about 20 percent of the administrative expenses of the agency, or about $2,000,000 a year.

Mr. President, it is clear that the House understood this situation, and that the appropriation passed by the House is not too small. The Senator from Delaware proposes a greater cut. I thought the House figures were lower, but 5 percent does involve a greater cut, the difference being about 2 percent.

The committee is also of the opinion that many of the other divisions in this agency are greatly overstaffed, and it is supported in its stand by the recently published report of the Senate Committee on Expenditures in the Executive Departments, which recommended that appropriations for this function be reduced approximately 20 percent during the next fiscal year.

Mr. O'MAHONEY. Mr. President, will the Senator yield on that point?

Mr. FERGUSON. I am glad to yield.

Mr. O'MAHONEY. Of course, I think that is precisely what has been done. I call the attention of the Senator to the fact that the appropriation for 1949—that is, for the present fiscal year—the appropriation which was made by the last Congress for the Maritime Commission was $101,988,751, almost $102,000,000. The budget estimate, for the fiscal year 1950, is only $75,870,390. Now what the Senator from Delaware proposes is not a reduction of 17 percent below the appropriation for 1949, it is not the 20-percent reduction to which the Senator from Michigan alludes, but it is a 17-percent reduction from the $75,000,000, which represents a reduction already made by the Budget Bureau in compliance with the recommendation of last year's Committee on Expenditures in the Executive Departments.

Mr. WILLIAMS. I ask for the yeas and nays on my amendment to the committee amendment.

The yeas and nays were ordered.

Mr. WILLIAMS. Mr. President, I should like to point out to the Senate, before the vote is taken, that but very little of the discussion which we have heard on the floor of the Senate this morning was related to the pending amendment. The discussion has been on amendments which will come up later this afternoon.

I also desire to point out to the Senate that any vote which may be taken on this amendment will not affect in any way the new ship construction, nor the State marine schools, nor the maritime training. They are in no way affected; but the amendment which is before the Senate affects anly the personnel subsidies and miscellaneous expenditures of the Maritime Commission.

When we vote on this amendment which proposes a 5 percent reduction in the appropriation for the administrative purposes of the Maritime Commission, the Commission will still have a larger personnel by two and a half times than it ever had prior to the war. It will have more than 4,000 employees for administrative purposes. In March 1941, they only had 1,875 employees to take care of the same duties. In March 1938 they operated with 1,073 employees. Therefore I see no reason why we should not cut this appropriation. If the 62 Senators who signed a petition calling upon the President for a 5 percent cut meant what we said then let us vote accordingly. In that petition we made no exception. Besides everyone agrees that this department, the Mari-

time Commission, is one of the most extravagant agencies in Washington.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. O'MAHONEY. I was merely going to suggest to the Senator that he is mistaken when he says they are performing the same duties now that they were performing previously. That is not the fact. Additional duties have been placed upon the Maritime Commission, as for example, as shown in the memorandum on personnel, the increased reserve fleet, the warehouses and the shipyards. These are new functions which must be performed. During the war, we built a very much larger fleet, which the Maritime Commission has to handle and care for. I submit it cannot possibly handle them with the same personnel it had before the war.

Mr. WILLIAMS. There is nothing being said about cutting them back to prewar figure. We will still leave them over 4,000 employees. What we are proposing to do is to allow the Maritime Commission two and a half times as many employees as it had in 1941, four times as many employees as it had in 1938. I never said there was not a change in its duties, but I do say that the number of employees has been increased more than the duties of the Commission.

The Senator from Wyoming paid a compliment to the Honorable Lindsay Warren for the good job he has done in calling our attention to the inefficiency of the Maritime Commission, and in that I agree. Yet when we read the reports of Mr. Warren, pointing out time and again that there is waste, extravagance, and inefficiency in the Maritime Commission, we do nothing about it. It is time we cut out this extravagance. I merely want to read a summary Mr. Warren made regarding the execution of one agreement by the Maritime Commission.

The General Accounting Office, I quote—"considers the execution of the amended charter to have been beyond the authority of the War Shipping Administration and the payments made thereunder to have been a wasteful, extravagant, and illegal expenditure of public funds."

This is one of the many reports I shall discuss at a later date.

I say we can cut this appropriation. Sixty-two Members of the Senate joined in a resolution which calls for a 5-percent reduction in the appropriations.

They did not except the Maritime Commission, and I cannot believe they intended to except it.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. MAGNUSON. Mr. President, I do not want to make any specific issue of the number of personnel in the Maritime Commission. I entirely agree with the conclusions reached by the Comptroller General in his investigation of that Commission, and with the conclusions reached by the Hoover Commission in its examination of the administration of the Maritime Commission. Certainly there is a great deal of room for improvement in that Commission. Those of us who have a deep interest in maritime matters were in hope that the appointment of General Fleming, who has the reputation of being one of the most able administrators the Government has ever had, would bring about a reorganization of the administrative functions of the entire Maritime Commission, and that there would be some important changes.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. WILLIAMS. Does the Senator not agree with me that if General Fleming puts into effect the efficiency we expect of him, we can achieve at least a 5-percent reduction in the cost of the administration of the Commission?

Mr. MAGNUSON. I do not know. The Senator from Delaware is quoting from reports dealing not with personnel, but with administrative mismanagement in connection with funds, mismanagement in connection with interpreting the laws of Congress, and the lack of a general maritime policy. I desire to point out to the Senate that ships flying the American flag have been deteriorating and going to seed so rapidly since the World War II that the maritime situation of the Nation is in serious jeopardy.

Of course, we did not expect to retain the wartime level of our merchant marine, but it is deteriorating very rapidly, and other nations are building up their merchant marine. We are in a serious situation. It has been so bad that the Committee on Interstate and Foreign Commerce appointed a subcommittee to look into the question. After the committee, of which the Senator from Vermont [Mr. FLANDERS] is a member, had looked into some of the management and administrative features, we received from the Senate the sum of almost $50,000 to proceed with the work which we are now doing. We find many factors which need to be changed.

There are 48,000 unemployed seamen walking the streets of the Nation today, and they have been in that situation for almost 18 months. Something must be done. Our merchant marine needs to be revived, to have a new spirit and a new approach to the problem. The Commission may need these employees. The fact that it would mean four times as many as it had in 1938 is no argument at all. We had no merchant marine just previous to World War I. In World War II we had a fleet greater than that of the combined fleets of the world. We still have most of that fleet. If the Senate deems it wise to squeeze down the Maritime Commission, thus preventing it from going ahead and keeping pace with the fleets of the rest of the world, all right. If that be done, we shall slip back to the same position we occupied after World War I. It cost us nearly $7,000,000,000 to bring back our merchant marine to a comparable position with that of the rest of the world, so we could participate in World War II. We have ships stored in various places.

This proposed reduction, as I interpret it, would seriously handicap those who have charge of the ships. There are caretakers in charge of the ships, and the ships should be watched properly. I am warning the Senate that unless something is done to revitalize our merchant marine, unless we pay more attention to our reserve fleet, which is materially deteriorating in various rivers and harbors, we shall awake in the next two or three years, as we did in 1921, when the American Flag was completely off the seas, and find ourselves in a similar situation.

The proposed cut would affect persons who are the caretakers and who do the work of safeguarding the condition of our great reserve fleet. Many of the ships should be repaired; many of them should be brought into the shipyards. We should have the guidance of the men whom the Senator from Delaware would cut from the bill. Our reserve fleet is 16 times greater than the fleet we had in 1938, and more than 6 times greater than in 1941. We must take care of it. I feel that if General Fleming comes before the committee and says, "This is what we need to take care of our reserve fleet," he knows what is needed in an administrative way.

The proposed cut would seriously handicap us in the future and affect the present condition of the reserve fleet of the Nation, which is now the greatest in the world. We want to keep it so.

I hope the Senator from Delaware will leave the discretionary authority in regard to efficient administrative operation of the Maritime Commission to the new Commissioners who have been appointed, and in whom I have every confidence. If they do not need these men, General Fleming will say so. It is a serious matter.

Mr. WILLIAMS. Mr. President, I merely want to point out that the speech which the Senator from Washington has made pertains to other sections of the bill. The adoption of my amendment would not affect the new construction of the fleet in any way. According to the Comptroller General of the United States, the Maritime Commission is the most inefficient bureau in Washington, because of inefficiency, waste, and extravagance. If we do not pay some attention to such a situation of what use are these reports?

Mr. MAGNUSON. Mr. President, I am not confused, and I was not confused in what I was atempting to tell the Senate regarding the merchant marine. I appreciate the fact that the Senator's amendment deals with personnel, but it is my understanding that if his amendment is adopted, the Maritime Commission would have to reduce the caretaker personnel of our vast reserve fleet. I think that is a very serious question. I believe it is a matter which General Fleming, Mr. Coddaire, and Mr. Carson should have jurisdiction of, and it should be left to them.

Mr. WILLIAMS. Mr. President, there is the possibility of the Maritime Commission deliberately making the cuts in departments where they should not be made in an effort to embarrass Congress. The same threat has been made in the past by the heads of other bureaus, I think it is time we served notice on them now that should they take this arbitrary action, merely because we attempt to cut their appropriations, then they themselves will be looking for new jobs.

Mr. O'MAHONEY. Mr. President, I hope I may have the attention of the Senator from Delaware, because it is quite clear from a reading of the bill that the Senator is mistaken in what he seeks to do.

The Senator said a moment ago that the reduction which he proposes is intended to reduce the administrative expenses for personnel. Have I not correctly stated what the Senator thinks he is doing?

Mr. WILLIAMS. No; I said as to all salaries, subsidies and other miscellaneous expenditures.

Mr. O'MAHONEY. For administrative expenditures?

Mr. WILLIAMS. For salaries and other expenses.

Mr. O'MAHONEY. For administrative purposes; that is correct.

Mr. WILLIAMS. Administrative purposes are covered; yes.

Mr. O'MAHONEY. That is where the Senator is mistaken. I shall now show to him precisely why and how he is mistaken.

This appropriation for salaries and expenses does not include the item for administrative expenses, so far as the increase is concerned. The Senator will see that in line 21, following the figures, the language is, "within limitations as follows." Here are the limitations: There is a limitation on administrative expenses. The committee did not increase those expenses by a single penny. Where, then, did the increase come from? It came, not in administrative expenses, not in new shipyard construction, not in reconditioning and betterment; it came on page 53, in the item on line 13, for the maintenance of shipyard facilities. There was an increase from $409,700 to $443,700. That is a part of the increase of $674,000 which we allowed on page 51, line 21. It is not an addition.

Then in line 14 we increased the "Operation of warehouses" appropriation from $461,550 to $501,550. That was another increase of personnel in the appropriation, a part of the $674,000, and it was made necessary by the increased duties of the Maritime Commission in handling the maintenance of shipyard facilities and the operation of the warehouses.

Finally, on page 54, line 6, we increased the limitation for reserve fleet expenses from $6,534,800 to $7,134,800.

These three limitations were increased. They are not additional appropriations; they are increased limitations. But they are taken care of in the $674,000 increase which we granted in the appropriation which the Senator now seeks to amend.

I assure the Senator, with the greatest sincerity and the utmost accuracy, that if his amendment is agreed to it will be necessary to reduce the personnel for handling the maintenance of shipyard facilities, the operation of warehouses, and reserve fleet expenses, all three of which items are vastly greater now than they ever were heretofore.

Mr. WILLIAMS. Mr. President, I still point out, and repeat what I said before, that we are voting on the over-all personnel allowed to the Maritime Commission, and the question whether or not we will reduce it to 4,100, which would be two and one-half times what they had at any time since the war.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The question is on the amendment offered by the Senator from Delaware to the amendment of the committee.

Mr. AIKEN. Mr. President, when the Senate recessed last Friday night we had just concluded the discussion concerning the language in the provision on the top of page 53 which provided "That any funds and contract authority available for new ship construction under the limitation herein, and any funds and contract authority available for new ship construction," and so forth.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. O'MAHONEY. I call attention to the fact that we are apparently about to have a vote on the amendment which the Senator from Delaware has offered. Would the Senator from Vermont be good enough to postpone the discussion of the amendment to which he has just referred—and I know he is interested in it—until after we have a vote on the amendment of the Senator from Delaware?

Mr. AIKEN. I shall be glad to postpone the discussion of the matter to which I desire to allude, because some other evidence has come to light since the subject was discussed Friday night which I think requires further clarification. I shall be glad to withhold the discussion until after the matter of the appropriation has been acted on.

Mr. HILL. Mr. President, if I may have the attention of the distinguished chairman of the subcommittee, as he has said, the President reduced the budget estimate and the recommendations for the Maritime Commission by 45 percent.

Mr. O'MAHONEY. Below the appropriation for fiscal year 1949.

Mr. HILL. The Committee on Appropriations recommended a 20-percent reduction.

Mr. O'MAHONEY. And the Budget Bureau recommended 25 percent.

Mr. HILL. But the President went the committee 5 percent better, not only made it a 20-percent cut, but made it a flat 25-percent cut. The committee itself has made a very substantial reduction in the over-all appropriations.

Mr. O'MAHONEY. A 12-percent reduction in this particular item. So, as the committee report comes before the Senate, it is about 37 percent below the appropriation for fiscal year 1949.

Mr. HILL. Mr. President, as the distinguished chairman of the subcommittee has said, the amendment on which the Senate is about to vote has nothing to do with contracts, or with the construction of ships, or with the payment of subsidies, or what may be called the general policies of the Maritime Commission. The amendment before us deals with the question of warehousing, the preservation of material that belongs to the Government which must go into warehouses, and the preservation of the ships, in which the Government has millions and billions of dollars invested.

The distinguished Senator from Washington referred to General Fleming, the head of the Maritime Commission, a man whom I regard as one of the most devoted and ablest public servants we have in our Government. I wish merely to take a moment to call the attention of the Senate to what the Maritime Commission said about the necessity for appropriating these funds to provide for proper warehousing. I read from the hearings on page 809, where the Commission said:

> Prior to fiscal year 1948 the majority of the materials and equipment received for storage and handling were either new or in good condition prior to their receipt. Now an entirely different condition exists since most of the property to be warehoused is coming from strip-ship, reconversion, and repair activities, as well as withdrawals of property previously declared to the War Assets Administration. Practically all such materials and equipment have been in use either aboard vessels or stored outside for many months and substantial quantities have become rusted and corroded. Therefore, it is necessary to dismantle much of this machinery and equipment, remove rust, corrosion, and water, coat with proper preservation compounds, oil or grease, and reassemble for long-term storage.

In other words, if we do not provide these funds, then this property, these materials, this equipment, which belongs to the Government of the United States, will not be properly treated, will not be in condition for preservation, and properly warehoused. The same condition that applies to the warehousing of the materials and equipment applies also to the ships themselves.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question?

Mr. HILL. I yield.

Mr. KNOWLAND. I have listened to the discussion between the Senator from Delaware and the able chairman of the subcommittee, and, frankly, on this item I am in doubt, for the reason that, while the Senator is very persuasive in the argument he has made, at the same time I do not believe we had a break-down from the Senator from Delaware or anyone else as to the number of the employees who are covered by this item who will be doing the type of work the Senator from Alabama is discussing, and the number of employees who will be office employees of the Maritime Commission, which is the point raised by the Senator from Delaware. Perhaps if we could get some light thrown on the subject of the number of employees who will be engaged in the type of work to which the Senator from Alabama refers, it might enlighten the Senator from California and others on the floor of the Senate as to the votes we should cast.

Mr. O'MAHONEY. Mr. President, will the Senator from Alabama yield to me on that point?

Mr. HILL. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. If the Senator from California will look at page 51 of the bill, in line 21, he will see that we have increased the appropriation for salaries and expenses from $62,380,424 to $63,054,424, an increase of $674,000. That is plainly written. Then the remainder of that sentence carries the words "with-

in limitations as follows." Then we look to the three items in the limitations which account for the $674,000. The first item is on page 53, line 13, where, for the maintenance of shipyard facilities, there was an increase of $34,000, from $409,700 to $443,700. On line 14 there was an increase of $40,000, from $461,550 to $501,550. On page 54, line 6, there was an increase for the reserve fleet expense from $6,534,800 to $7,134,800. If we add the $34,000 increase in line 13, page 53, to the $40,000 increase in line 14, page 53, to the $600,000 increase in line 6, on page 54, we have a total increase of $674,000, which is precisely the figure which appears in the amendment which the Senator from Delaware discussed.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. KNOWLAND. The Senator has perhaps not quite understood my point. No doubt it is my fault.

Mr. HILL. I think I know what the Senator has in mind. I heard his question. The Senator from Wyoming, I believe, was busy at that time. Not a single one of the additional personnel provided for in the amendment will be used in Washington or in any office, or in administrative work, unless perhaps the administrative work is done in a shipyard or warehouse, or unless the personnel is with the reserve fleet. Of this personnel 244 in number will be used as follows: 8 in shipyards, 12 in warehouses, and 221 with the reserve fleet, putting the ships in which the Government has hundreds of millions of dollars, in moth balls, protecting and preserving them; putting material and equipment away in warehouses, cleaning it properly, removing rust and erosion from it, and putting it in oil and grease, or whatever preservative may be used so as to preserve this property.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. KNOWLAND. The point I want to clarify in my mind, and I think other Senators on the floor would like to have clarified, is this: Of this double the number the Commission had at any time prior to the war, how many of this personnel are engaged in purely administrative work, and how many are engaged in the work of taking care of the reserve fleet, and the rest of it? I think the Senator from Delaware has made a very pertinent point, if that is pure administrative overhead. On the other hand, if they are conducting work which is highly essential, such as the Senator from Alabama is talking about, then I would be inclined to go along with him and not vote for the reduction. But I should like some justification as to the necessity of approximately double the number of employees the Commission had at any time prior to World War II. I think that is a matter which needs to be cleared up.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. HILL. I yield to the Senator from Delaware.

Mr. WILLIAMS. In reply to the question asked by the Senator from California, I point out that the amendment with which we are dealing seeks to reduce the amount proposed in the Senate committee amendment by about three million dollars. Of the $63,000,000 provided by the committee amendment, only $8,000,000 applies to the functions which have been described by the Senator from Alabama and the Senator from Wyoming. For instance, with respect to the maintenance of shipyard facilities, all that is proposed to take care of that item in its entirety is $443,700. For the operation of the warehouses, which has been mentioned, $501,550. That is the maximum amount which has been claimed necessary. Now there are in addition reserve-fleet expenses, $7,134,800. In other words, of the $63,000,000, $8,000,000 is given for these functions, which leaves $55,000,000 for the other functions of the Maritime Commission.

All the argument that has been made against the proposed cut of $3,000,000 out of a total of $63,000,000, is to describe the wonderful job that is being done with the $8,000,000 portion of the bill. The rest of the money going for administrative purposes, subsidies, and the other functions. No one denies but that they can be cut three million. Either we are going to cut these appropriations or else there is going to be no reduction in the wartime rate of taxes. As we vote on these proposed cuts we are in effect deciding the question of "Will there be a reduction in the wartime excise taxes at this Congress?"

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. SALTONSTALL. I disagree most heartily with what the Senator from Delaware has just said. What he has said, so far as it goes, is correct; but when he says that all the rest of it is left for the administrative facilities of the Maritime Commission——

Mr. WILLIAMS. And other functions.

Mr. SALTONSTALL. And other functions—I call the attention of the Senator from California and of other Senators to the fact that of the remainder, $26,875,000 is for new ship construction, reconditioning, and betterments, and $18,218,000, in round figures, for operating—differential subsidies. I will not say almost all, but a great deal of both those items is already under contract, contracts in private yards and in other places where ships are being built. It has nothing to do with the administrative operation of the Maritime Commission. The committee, as the Senator from Wyoming has said, and as other Senators have said, has not changed the items for administrative expenses at all. The committee has left them at $8,950,142. So I say most respectfully to my colleague from Delaware that of the other functions which he says apply, the largest item, namely, $44,000,000, covers new ship construction, reconditioning and betterment, and operating—differential subsidies.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I will yield to the Senator from Vermont in a moment. I wish to say that the Senator from Massachusetts is absolutely correct in what he has just said. In answer to the question of the Senator from California, I will say there are 1,950 employees in what we might call administrative work of the Maritime Commission. If the amendment is agreed to there will be 4,554 employees altogether with the Commission, with 1,950 in administrative work.

What the amendment involves is only one proposition, that is, funds for increase of some 241 personnel. Of these 241 personnel, none of them are to be in the administrative work, none of them are to be in Washington, all of them are to be either in shipyards, warehouses, or with the reserve fleet.

As I said before, 8 will be in shipyards, 12 in the warehouses, for the care and preservation of the materials and equipment coming in there, and 221 for the proper conditioning or the preservation of the reserve fleet.

I now yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I should like to ask the Senator from Alabama or any other Senator who can answer the question, whether in this appropriation there are included funds for the construction of a so-called super liner or luxury liner, about which we have been reading?

Mr. O'MAHONEY. Mr. President, that is included in the contract authority item under the amount carried in line 22 of page 52, which the committee reduced from $70,125,000 to $50,000,000.

Mr. AIKEN. And that includes the appropriation for the construction of a new super liner? Is that going to take most of that appropriation? I am not too familiar with this matter, but I have read and heard much about the expectation of the Commission to spend very large amounts in subsidizing the construction of a luxury liner.

Mr. O'MAHONEY. I beg the Senator's pardon. The luxury liner has already been contracted for under authority previously granted. The only item in this bill which affects that is under the cash appropriation, not the contract authority; the cash appropriation under which the contracts which have already matured may be liquidated.

Mr. AIKEN. Has there been any controversy between the Comptroller General and the Maritime Commission over the validity of spending large amounts on the construction of a super liner?

Mr. O'MAHONEY. It is my understanding that there is reference to that in the report which was transmitted to the President of the Senate under date of July 11, 1949, by the Comptroller General, Mr. Lindsay C. Warren. This particular report has been made the subject of hearing and investigation by the Committee on Expenditures in the Executive Departments in the House, and by the Committee on Expenditures in the Executive Departments in the Senate. It involves a problem of policy.

Mr. AIKEN. How much money is involved? Does the Senator from Wyoming know that?

Mr. O'MAHONEY. It is a rather large sum. I think it is somewhat in excess

of $70,000,000 or $75,000,000. The total cost, I think, is about $75,000,000.

Mr. AIKEN. That is the amount of the subsidy, or is that the cost of the ship?

Mr. O'MAHONEY. It is the estimated cost of the ship.

Mr. AIKEN. The subsidy will be half that amount?

Mr. O'MAHONEY. The differentials are quite high. General Warren suggested in his report that there should be legislation to require open public hearings by the Maritime Commission when it is gathering evidence upon which to base its estimate of the differential cost of construction. With that recommendation I am inclined to agree. But again it is a matter of legislation. It is not a matter for the Appropriations Committee to consider, and, as a matter of fact, the report did not come to us until after the subcommittee had acted.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. SALTONSTALL. I would simply say to the Senator from Vermont—I think I am correct, and I think the Senator from Wyoming will agree with me—that the construction subsidy is 40 percent; and on top of that there would be an operating subsidy, after the ship is constructed. So 40 percent of approximately $75,000,000 is the construction subsidy.

Mr. HILL. Mr. President, I simply wish to emphasize that the pending amendment has nothing whatever to do with any subsidy in maritime contracts, any payments, any general policies of the Maritime Commission. This amendment deals only with the preservation of the materials and equipment through proper warehousing and the preservation of the ships in the reserve fleet, through putting the ships in moth balls, by taking the steps necessary to protect these materials and this equipment and these billions of dollars' worth of ships. Not to take this action, not to adopt the Senate committee amendment, surely is to waste all this valuable property which we have, and which has been paid for by the taxpayers of the United States. Not to adopt the committee amendment is to be penny-wise and pound-foolish.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware to the committee amendment on page 51, in line 21, to strike out "$63,054,424" and insert "$59,901,703."

Mr. O'MAHONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. It is understood that the yeas and nays have already been ordered.

The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Capehart	Dulles
Anderson	Chapman	Ecton
Baldwin	Chavez	Ellender
Brewster	Connally	Ferguson
Bricker	Cordon	Flanders
Butler	Donnell	Frear
Cain	Downey	Fulbright
George	Langer	O'Mahoney
Gillette	Lodge	Pepper
Graham	Long	Robertson
Green	Lucas	Saltonstall
Gurney	McCarran	Schoeppel
Hayden	McCarthy	Smith, Maine
Hendrickson	McClellan	Sparkman
Hickenlooper	McGrath	Stennis
Hill	McKellar	Taft
Hoey	McMahon	Taylor
Holland	Magnuson	Thomas, Okla.
Humphrey	Malone	Thomas, Utah
Hunt	Martin	Thye
Ives	Maybank	Tydings
Jenner	Miller	Vandenberg
Johnson, Colo.	Millikin	Watkins
Johnson, Tex.	Morse	Wherry
Johnston, S. C.	Mundt	Wiley
Kefauver	Murray	Williams
Kem	Myers	Withers
Kilgore	Neely	Young
Knowland	O'Conor	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS] to the committee amendment on page 51, in line 21. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll: and Mr. AIKEN voted "yea" when his name was called.

Mr. WILLIAMS. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS. A vote for a 5 percent reduction in this appropriation would be a vote "yea." Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. O'MAHONEY. Mr. President, I submit that that was not a parliamentary inquiry, because it carried its own answer.

The PRESIDING OFFICER. The clerk will resume the calling of the roll.

The legislative clerk resumed and concluded the calling of the roll.

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Oklahoma [Mr. KERR], and the Senator from Georgia [Mr. RUSSELL] are detained on official business.

The Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

I announce that on this vote the Senator from Oklahoma [Mr. KERR] is paired with the Senator from Illinois [Mr. DOUGLAS]. If present and voting, the Senator from Oklahoma would vote "nay" and the Senator from Illinois would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "yea."

The senior Senator from New Hampshire [Mr. BRIDGES] and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business. If present and voting, the senior Senator from New Hampshire [Mr. BRIDGES] would vote "yea."

The result was announced—yeas 30, nays 56, as follows:

YEAS—30

Aiken	Frear	Mundt
Brewster	Fulbright	Schoeppel
Bricker	Hendrickson	Smith, Maine
Butler	Hickenlooper	Taft
Cain	Jenner	Thye
Capehart	Kem	Vandenberg
Donnell	McCarthy	Watkins
Dulles	Malone	Wherry
Ecton	Martin	Wiley
Ferguson	Millikin	Williams

NAYS—56

Anderson	Hunt	Miller
Baldwin	Ives	Morse
Chapman	Johnson, Colo.	Murray
Chavez	Johnson, Tex.	Myers
Connally	Johnston, S. C.	Neely
Cordon	Kefauver	O'Conor
Downey	Kilgore	O'Mahoney
Ellender	Knowland	Pepper
Flanders	Langer	Robertson
George	Lodge	Saltonstall
Gillette	Long	Sparkman
Graham	Lucas	Stennis
Green	McCarran	Taylor
Gurney	McClellan	Thomas, Okla.
Hayden	McGrath	Thomas, Utah
Hill	McKellar	Tydings
Hoey	McMahon	Withers
Holland	Magnuson	Young
Humphrey	Maybank	

NOT VOTING—10

Bridges	Kerr	Smith, N. J.
Byrd	McFarland	Tobey
Douglas	Reed	
Eastland	Russell	

So Mr. WILLIAMS' amendment to the committee amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 51, line 21.

Mr. FERGUSON. Mr. President, I hope the Senate will see fit, even though the 5-percent cut which was proposed has been rejected, to adopt the House figure, which was $62,380,424. The Senate increased the appropriation to $63,054,424. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. O'MAHONEY. Mr. President, I merely desire to suggest that the committee hopes that the committee amendment will be agreed to. It adds $674,000 to the oppropriation. The figure was included by the committee, much below the budget, merely because the committee was convinced that it was necessary in order to carry out new functions imposed upon the Maritime Commission, as for example, the care of the reserve fleet.

The PRESIDING OFFICER. The yeas and nays having been ordered on the committee amendment, the clerk will call the roll.

The legislative clerk proceeded to call the roll, and Mr. AIKEN voted "nay" when his name was called.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FERGUSON. Am I correct in understanding that a vote of "nay" will be a vote to adopt the House figure, and that a vote of "yea" will be a vote to adopt the Senate's increased figure?

The PRESIDING OFFICER. A "nay" vote is against the committee amendment, and will leave the figure as it came from the House.

The legislative clerk resumed and concluded the calling of the roll.

Mr. MYERS. I announce that the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], and the Senator from Arizona [Mr. MCFARLAND] are absent on public business.

If present and voting, the Senator from Illinois [Mr. DOUGLAS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "nay."

The Senator from Wisconsin [Mr. WILEY] is detained on official business.

The senior Senator from New Hampshire [Mr. BRIDGES] and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business. If present and voting, the senior Senator from New Hampshire [Mr. BRIDGES] would vote "nay."

The result was announced—yeas 45, nays 43, as follows:

YEAS—45

Anderson	Kefauver	Myers
Chapman	Kerr	Neely
Chavez	Kilgore	O'Conor
Connally	Knowland	O'Mahoney
Cordon	Langer	Pepper
Downey	Lodge	Russell
Ellender	Long	Saltonstall
Graham	Lucas	Sparkman
Green	McCarran	Stennis
Hayden	McGrath	Taylor
Hill	McKellar	Thomas, Okla.
Humphrey	Magnuson	Thomas, Utah
Hunt	Maybank	Tydings
Johnson, Tex.	Morse	Withers
Johnston, S. C.	Murray	Young

NAYS—43

Aiken	George	Martin
Baldwin	Gillette	Miller
Brewster	Gurney	Millikin
Bricker	Hendrickson	Mundt
Butler	Hickenlooper	Robertson
Byrd	Hoey	Schoeppel
Cain	Holland	Smith, Maine
Capehart	Ives	Taft
Donnell	Jenner	Thye
Dulles	Johnson, Colo.	Vandenberg
Ecton	Kem	Watkins
Ferguson	McCarthy	Wherry
Flanders	McClellan	Williams
Frear	McMahon	
Fulbright	Malone	

NOT VOTING—8

Bridges	McFarland	Tobey
Douglas	Reed	Wiley
Eastland	Smith, N. J.	

So the committee amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

Mr. FLANDERS. Mr. President, I should like to offer an amendment to line 15 on page 52. Would such an amendment be in order at this time?

The PRESIDING OFFICER. The Senator's amendment would not be in order at the present time, because the committee amendments were ordered to be considered first.

The clerk will state the next amendment.

The next amendment was, on page 52, line 22, after the word "exceed", to strike out "$70,125,000" and insert "$50,000,000."

The amendment was agreed to.

The next amendment was, on page 53, line 8, after the words "in the", to insert "wise."

Mr. AIKEN. Mr. President, when the Senate took a recess last Friday evening, the provision at the top of page 53 had been under discussion and elaborated upon by the Senator from Wyoming. It makes certain funds of the Maritime Commission available for the acquisition and completion of the vessels *Mariposa* and *Monterey*, in the wise discretion of the Commissioners in all circumstances. The Senator from Wyoming gave it as his opinion that this provision was so worded that it would preclude a majority of the Maritime Commission from using a substantial sum of money for bailing out the Oceanic Steamship Line or any of its affiliates to the extent of approximately $10,000,000. Since Friday evening it has been called to my attention that in one of the supplemental appropriation bills there is language which might permit the Maritime Commission still to bail out the Oceanic Steamship Co., in spite of the language of this provision. Therefore I should like to inquire of the Senator from Wyoming whether there is any factual basis for the report which I have received?

Mr. O'MAHONEY. Mr. President, I was of the opinion, when I responded to the question of the Senator from Vermont, on Friday, that the money would have to be expended under the terms of the existing Maritime Act, and I recited, on Friday evening, the specific section of the act which, in my opinion, would obtain. It is true that the language which came to us from the House provided that the Commission could act under the authority of the supplemental Independent Offices Appropriation Act of 1949, which, of course, is the law which was passed at the last session of the Congress.

I have before me that precise provision, and I should like to read it into the RECORD:

'Provided further—

This proviso appeared in the item of new ship construction, including reconditioning and betterment, which is precisely the item with which we are now dealing—

Provided further, That the Commission may expend amounts to acquire the vessels *Mariposa* and *Monterey* and materials and equipment in conjunction therewith, on hand or committed for, and expend the amounts necessary to complete the vessels, if acquired for the development and maintenance of the commerce of the United States and for the use of the United States in time of war and national emergency, from any amounts made available within this limitation.

When I read that proviso the words "in time of war and national emergency" impressed themselves upon my mind, and I felt that, since this is not a time of war and is not exactly the time of national emergency which that phrase usually connotes, no additional authority beyond the wartime act as amended was granted. But as I reread it this morning, after having had the matter called to my attention, I am afraid that I was wrong, because the conditional phrase is "if acquired for the development and maintenance of the commerce of the United States and for use of the United States in time of war and national emergency." It is true that the Maritime Commission in much of its work is providing shipping space for the transportation of troops in the event a national emergency might develop, so if we give the prospective interpretation to the words "in time of war and national emergency," instead of the present, I now say that, in my judgment, this is legislation which changes and broadens the authority of the Maritime Commission.

Mr. AIKEN. Is the provision in the supplemental appropriation bill legislation?

Mr. O'MAHONEY. Yes.

Mr. AIKEN. In order to make sure that the Maritime Commission, by majority vote, does not spend $10,000,000 in bailing out the company referred to through the acquisition of the two ships mentioned, it would be necessary to strike out the provision on page 53 of the bill, would it not?

Mr. O'MAHONEY. I think it would; or to write in a provision to the effect that the money should be expended under the provisions of the Maritime Act, as amended.

Mr. AIKEN. Mr. President, it seems to me that if that proviso in the supplemental appropriation act is legislation, the proviso which we are now considering, on page 53 of the bill, is also legislation.

Mr. O'MAHONEY. Without question, it is.

Mr. AIKEN. Therefore I should like to make the point of order——

Mr. O'MAHONEY. Let me ask the Senator, please do not make such a point of order. Move to strike it out, and the chairman of the committee will not say a word. I do not want this bill to go back to the committee.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question?

Mr. AIKEN. I yield.

Mr. KNOWLAND. Calling attention to the colloquy which occurred on July 29, appearing at page 10639 of the RECORD, the able Senator from Vermont was quoting from what apparently was the House report, on page 32. I have a copy of the House report, and I should like to read the language which appears on page 32 of the report which I have. I quote:

The committee has continued available during the fiscal year 1950 the funds and contract authorization for 1949, and also has made available funds and contract authorization for the fiscal year 1950 for use in acquisition and completion of the vessels *Mariposa* and *Monterey* or either of them. This authority was provided in the 1949 act but it has not yet been made use of. In continuing this provision, the committee wishes to make it clear that action taken is left to the discretion of the Commissioners, and that in acquiring the *Monterey* or the *Mariposa* or both from Oceanic and in their sale to another United States flag operator, it is to be understood that the Commission may resell such ships on mortgage terms or may contribute a construction differential subsidy to the cost of improvement to the vessels or both.

That is quite different language from that read by the able Senator from Vermont, which apparently speaks of "bailing out."

Mr. O'MAHONEY. I think I can explain that, Mr. President. The language

which the Senator from Vermont read was from the report of the subcommittee, and that phrase dealing with bailing out did not appear in the final report.

Mr. KNOWLAND. Mr. President, I merely wish to say that, in the first place, I do not think the report of a subcommittee can change the law, even by implication, and I rather doubt very much whether a colloquy on the floor can change a statute. The Commission either have the power or they do not have the power to take the action. I doubt very much the wisdom of attempting to tie the hands of a Government agency. It may be that there is legitimate room for criticism in regard to many activities of the Maritime Commission, or other Commissions. If there is, the proper way to proceed is to amend the basic act, but not try to amend it through an appropriation bill, or through imposing restrictions by colloquies on the floor of the Senate.

Mr. AIKEN. Mr. President, the quotation read by the Senator from California was read by the Senator from Vermont last Friday, but at the end of it was this statement:

but it may not bail out Oceanic or its managerial mistakes.

Evidently the full committee struck out the last part of the last sentence in making its report to the House.

Those managerial mistakes were pointed out on Friday. It was shown that the Maritime Commission turned back these two ships to the company with a cash allowance of almost $6,000,000 to go with each one; that the company secured bids for reconverting them, plus improvements which they themselves wished to make; that the bids were submitted by the Newport News Co. of $8,200,000 for each ship, but instead of giving the job to the Newport News Co., the Oceanic Co. gave the business to one of its own affiliates, United Engineering; that as the work proceeded it appeared that the cost of reconverting each of these ships would be over $15,000,000, and work was stopped on them. As I understand, the Government was told it would have to take the responsibility for laying the men off, unless it came forward with more money and bailed out the steamship company, the Oceanic, which is a subsidiary of the Matson Linc.

One of the Commissioners has made an effort to reopen the case in order to bail out the steamship company, and the purpose of what I am doing here, and what I think others are doing, is to make it impossible for the United States Maritime Commission to bail out this company to the extent of $10,200,000 because of mistakes of its own. That is why I moved to strike out this provision.

The PRESIDING OFFICER. The Senator from Vermont asks unanimous consent that he be permitted to amend by striking out certain words, and that the amendment be taken up ahead of the committee amendment. Is there objection?

Mr. CORDON. Mr. President, I have no objection to the Senator from Vermont making the motion, but I desire to be heard before it is voted on. If that is the understanding, I have no objection. Otherwise I object and ask for the regular order. I have no objection to the matter being brought up at this time if it may be open to debate.

Mr. AIKEN. It will be open to debate, as I understand.

The PRESIDING OFFICER. That is correct. It there objection to the motion being taken up out of order?

Mr. O'MAHONEY. Mr. President, I wish to point out to the Senator that the committee amendments are before the Senate.

Mr. AIKEN. Then, Mr. President, if there is any objection to bringing this matter up at this time, I raise the point of order that the amendment is legislation on an appropriation bill.

Mr. O'MAHONEY. I hope the Senator will withdraw the point of order.

The PRESIDING OFFICER. A point of order against the House text in a bill is not in order.

Mr. AIKEN. Yes; but there is also certain legislation in words added by the Senate committee. "In all the circumstances" was added by the Senate committee, and also the adjective "wise" was added before the word "discretion."

Mr. O'MAHONEY. Mr. President, in order to make the matter clear, I am merely suggesting to the Senator that he withhold his motion until after we have disposed of the committee amendments. In view of the fact that the Senator from Oregon [Mr. CORDON], who is one of the members of the Committee on Appropriations, indeed, one of the members of the subcommittee, desires to present a point of view with respect to the matter, I am wondering whether the Senator from Vermont would not be willing to let the matter go over so that the committee amendments may be considered in regular order, and then, of course, his motion could be taken up.

Mr. AIKEN. If I may be permitted to make the motion to strike out the proviso, I shall withdraw the point of order.

Mr. O'MAHONEY. I hope that motion may be made.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FERGUSON. If the Senator from Vermont passes this matter at the present time, and waits until after the amendments are all adopted, would his point of order lie?

Mr. O'MAHONEY. Oh, yes; if we passed the matter over.

Mr. FERGUSON. That is the question.

The PRESIDING OFFICER. The Senator would be in position then to make a motion to strike out language.

Mr. FERGUSON. Striking out is different from raising a point of order and sending the bill back to committee. The Senator from Michigan is inquiring whether the Senator from Vermont could then, with the same effect, make the point of order, and send the bill back to the committee because of legislation in the bill.

Mr. O'MAHONEY. Mr. President, if I may be heard——

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. O'MAHONEY. I point out to the Senator from Michigan and to the Senator from Vermont that, as the Senator in charge of the bill, I shall ask that the two comittee amenments shall be passed over at this time, so that the Senator from Vermont may make his motion to strike out the proviso. I am quite willing that he should make the motion now, with the understanding that it may be considered after the committee amendments have been disposed of.

Mr. AIKEN. Mr. President, if I may have unanimous consent to do so, I make the motion now that the proviso beginning on line 2, page 53, and running through line 12, page 53, be stricken from the bill.

The PRESIDING OFFICER. The Chair will ask the Senator to restate his motion.

Mr. AIKEN. I move that the proviso beginning in line 2, page 53, and running through line 12, page 53, be stricken from the bill.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The committee amendment would take precedence over the Senator's motion.

Mr. O'MAHONEY. Mr. President, I have already announced that I am quite willing to have the committee amendment passed over. The Parliamentarian apparently did not hear my statement. So the unanimous consent request, if I may restate it, is that the committee amendments on page 53, in lines 8 and 9, may be passed over at the present time, and that the Senator from Vermont may be permitted to make his motion to strike out all the proviso beginning in line 2, page 53, and ending in line 12 thereof. I have no objection to that.

Mr. AIKEN. I have no objection to that.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FERGUSON. If the motion of the Senator from Vermont is defeated, and the language is not stricken out, has the point of order to the bill that the language is legislation on the bill been waived? Can a point of order be made at any time before the bill is passed, even though there has been a vote taken on the particaular provision?

The PRESIDING OFFICER. If the amendments are agreed to, of course, a point of order would not lie thereafter. But a point of order can be made when the amendments are actually offered. When the committee amendments are actually taken up for adoption a point of order can be made.

Mr. FERGUSON. If they are disagreed to, can a point of order still be made that they constitute legislation on an appropriation legislation bill.

The PRESIDING OFFICER. If the amendments are defeated they would not be a part of the bill. Would the Senator want to attack some of the House language?

Mr. AIKEN. Mr. President, as I understand, if the amendment which I propose is defeated, then the additional wording added by the Senate committee to the wording of the House proviso would be in order at that time and subject to a point of order. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. O'MAHONEY. Mr. President, in order to make this matter crystal clear, I make an additional unanimous-consent request, and that is, in the event the amendment of the Senator from Vermont shall be defeated he may still have the authority to make the point of order.

Mr. AIKEN. I thank the Senator.

The PRESIDING OFFICER. Does the Senator from Vermont adopt the additional wording to the unanimous-consent request?

Mr. AIKEN. I agree to that on my part. I cannot agree for any other Senator.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request that the committee amendment be passed over without action now and without prejudice to the Senator from Vermont to make any points of order he may see fit to make? The Chair hears none. The next committee amendment will be stated.

Mr. AIKEN. Mr. President, as I understood, the unanimous-consent agreement was to the effect that I might make the motion at this time to strike out this paragraph.

Mr. O'MAHONEY. I understood the Senator had made his motion.

The PRESIDING OFFICER. That is correct. The Chair was in error. That is the pending matter now, is it not?

Mr. O'MAHONEY. No; it was understood that the Senator would be permitted to make his motion, and then it would go over until after the committee amendments are disposed of.

Mr. AIKEN. I did not understand that it would go over until after the committee amendments were disposed of, because it would have been in order anyway after the committee amendments were disposed of. I think it is better to make a point of order that this is legislation on an appropriation bill.

Mr. O'MAHONEY. Mr. President, may I beg the indulgence of the Senator from Vermont?

Mr. AIKEN. The Senator from Wyoming does not have to beg the Senator from Vermont for anything.

Mr. O'MAHONEY. Well, I do want a little indulgence. I am merely trying to get the bill disposed of in what I conceive to be the most expeditious manner. Notice has been given by the Senator from Oregon that he intends to debate the motion. It was for that purpose that I made the various suggestions which I thought the Senator from Vermont had accepted, the purpose being so that we might proceed with the committee amendment, because several of them are without objection, and can be disposed of readily. For example, the next three amendments have already been disposed of by implication by two yea-and-nay votes. Now, if we do not get them agreed to promptly, within the next 5 or 6 minutes, then the Senate will have to debate the whole thing all over again.

The PRESIDING OFFICER. Permit the Chair to understand to what words the point of order of the Senator from Vermont is directed?

Mr. AIKEN. To the adjective "wise" before the word "discretion", in line 8, page 53, and the words "in all the circumstances" in line 9, as modifications of legislation inserted in the bill by the House.

The PRESIDING OFFICER. It occurs to the Chair that the word "wise" does not add anything to the meaning of the language. All discretion is supposed to be wise. And "in all the circumstances," unless some limitation is placed on the language, means "in all cases."

Mr. SALTONSTALL. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to ask the Senator from Vermont if not the simplest thing to do would be for him to withdraw his motion to strike out the words "wise" and "in all the circumstances"? I call attention to the fact that the subcommittee worked on this matter for some time. It wanted to allow the paragraph to remain in the bill, but wanted to provide further protection, and tried to insert words which would provide further protection; so it inserted these words. The Presiding Officer has just stated that the retention of the words would not mean much; that they would not add anything to the meaning of the language.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FERGUSON. Does the Chair have the right to interpret legislation? Does the Chair have the right to indicate that a word does not mean anything in a bill?

The PRESIDING OFFICER. The point the Chair had in mind was that the point of order would not lie because the word does not add anything to the meaning.

Mr. FERGUSON. Is it the Chair's opinion that the word "wise" does not add anything to the meaning of the language?

The PRESIDING OFFICER. Yes; that is the Chair's idea.

Mr. FERGUSON. My parliamentary inquiry is as follows: Is it within the province of the Chair to say that a word inserted deliberately by the committee does not add anything to the meaning of the words already in the bill?

The PRESIDING OFFICER. The Chair was merely passing on the point of order as to whether or not the amendment was legislation. The Chair is of the opinion that it is not legislation.

Mr. FERGUSON. The Chair is of the opinion that it does not mean anything or does not add anything or change anything in the bill.

The PRESIDING OFFICER. That is correct.

Mr. O'MAHONEY. Mr. President, may I have the floor?

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. O'MAHONEY. Mr. President, there comes a time——

Mr. AIKEN. Mr. President, there are a dozen other places in the bill where there is definitely legislation.

Mr. O'MAHONEY. Mr. President, I have the floor.

The PRESIDING OFFICER. The Senator from Wyoming has the floor.

Mr. O'MAHONEY. There comes a time when parliamentary discussion only confuses those who listen. We can sit here all afternoon making parliamentary inquiries as to whether this or that is in order, and whether this or that is legislation. The Senator in charge of the bill, with the desire to be wholly practical, has suggested to the Senator from Vermont merely that he withhold an amendment which is not a committee amendment until the committee amendments are disposed of.

Mr. AIKEN. Mr. President——

Mr. O'MAHONEY. I will say to the Senator that my own thought is that his amendment ought to be carried; and when it is proposed by him in the proper order the Senator from Vermont will find the Senator from Wyoming supporting his motion. But in the meantime let us get on with the bill and dispose of the committee amendments. The Senator from Vermont loses nothing by allowing the matter to go over. But if the Senator is unwilling to do that, the alternative, of course, is for him to exercise the unanimous consent which has already been granted him to make his motion to strike, and let debate be held on that motion. If he does that, the effect, of course, will be to delay action on the committee amendments, I think to the detriment of the expeditious handling of the bill. That is the only reason the Senator from Wyoming made the suggestion for postponement.

Mr. AIKEN. Mr. President, I have no objection to acting upon the committee amendments so far as they relate to the Maritime Commission. However, I would not wish to agree to delay making this motion or having it acted upon until all the committee amendments in the appropriation bill have been acted upon.

Here is a case in which I verily believe that certain members of the Maritime Commission are attempting to turn over $10,000,000 of the taxpayers' money to a steamship company which is not entitled to it. It is time to stop that kind of business in the Maritime Commission, as well as other agencies of the Government.

It is my intention, if the Chair rules that these additional words inserted in the proviso by the Senate committee do not warrant a point of order, to make a point of order later in the bill, on page 60, where there is definitely legislation included in the bill. If I wait until all the committee amendments have been acted upon, the point of order will not be in order, so far as I can see, if the legislation has already been accepted by the Senate.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. O'MAHONEY. The Senator is mistaken in that, because the Senator from Wyoming, as part of the unanimous consent, has agreed that the committee amendments shall be passed over. Therefore the issue of whether or not they are legislation will not be before the Senate until the Senator from Vermont makes his motion to strike; and when he makes his motion to strike, it will include the word "wise" and the words "in all the circumstances," which were introduced by the committee.

Mr. AIKEN. If all the other committee amendments are acted upon, and the legislative provisions of this appropriation bill are approved by the Senate, the Chair may rule that the word "wise" and the words "in all the circumstances" do not warrant a point of order.

Mr. O'MAHONEY. But the Senator overlooks the fact that already, by unanimous consent, those words have been withdrawn, and the Senator has been given the right, by unanimous consent, to make his motion. What more can he want?

Mr. AIKEN. The Senator wants action on his motion; and I do not see why action on the motion should not be had before we leave the Maritime Commission appropriation.

Mr. O'MAHONEY. The reason for it is that it is not the regular order. The Senate has already determined that the regular order is to proceed with the committee amendments.

Mr. AIKEN. I have not heard any such decision.

Mr. FERGUSON. Mr. President, as the Senator from Michigan understands the idea of the Senator from Vermont, he has this in mind: That if he passes this particular item in the bill at this time, and goes on, and all the other matters are passed on, he will end up, at the time consideration of the bill is concluded, with this one question before the Senate; and if he loses on that issue, he can not take advantage of the various other points of order in the bill. If he could get unanimous consent——

Mr. O'MAHONEY. That was the unanimous consent which was granted.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FERGUSON. What is the unanimous censent? Does it give the Senator from Vermont protection on the other items in the bill which might be considered legislation, and against which he may wish to raise points of order?

Mr. AIKEN. Mr. President, I want to know whether the Senate is going to vote to make it possible for one steamship company to get $10,000,000 of public money which does not belong to it? If the Senate intends so to vote, I intend to make a point of order on page 60, and a dozen other pages in the bill where there are clearly legislative proposals in an appropriation bill. I have no desire to delay action on the bill, but that, frankly, is my purpose in asking consideration of the motion I made, and a vote on it at this time, before the committee amendments have been acted upon and approved, which would make the point of order out of order.

The PRESIDING OFFICER. As the Chair undertands, unanimous consent has already been given for the lines under discussion to be passed without prejudice with respect to raising points of order, offering amendments, or anything else. That would necessarily mean that any other sections of the bill would be subject to amendments or points of order as we come to them, just as though no unanimous consent agreement had been made.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. Is it not a fact that the adoption or rejection of the committee amendments will have no effect whatever upon any other item in the bill which has not been acted upon?

The PRESIDING OFFICER. The Chair thinks that is correct.

Mr. O'MAHONEY. So any motion or point of order may be made with respect to any other part of the bill which has not been acted upon under the committee amendments?

The PRESIDING OFFICER. The Chair thinks that is correct.

Mr. AIKEN. Mr. President, I make the point of order as to the bill, because of the amendment proposed by the committee on page 60, from line 11 through line 17. There is no question that that is legislation.

Mr. CORDON rose.

Mr. O'MAHONEY. Mr. President, I hope the Senator will not make that point of order. I assure him that he is defeating his own purpose. The effect of that point of order is to send the entire bill back to the committee, as was pointed out in the case of the ECA bill. I ask the Senator to make his fight upon the issue he has raised, and to stand upon his motion to strike certain language. That is reasonable.

Mr. AIKEN. Mr. President, that is what the Senator from Vermont desires. He desires to make a fight on this effort to give away $10,000,000 of the taxpayers' money, but he wants to make that fight now, while he has a chance to win it, and not wait until that chance has gone by.

Mr. O'MAHONEY. Mr. President, in view of that statement by the Senator from Vermont, I shall give up all my great labors to persuade the Senate to follow the regular order in a parliamentary way, and I shall ask unanimous consent that, despite the rule of procedure that the committee amendments should be first considered, the Senator from Vermont may now make his motion to strike the language on page 53 of the bill, beginning in line 2 and ending at the end of line 12, and that debate may now proceed upon that motion.

The PRESIDING OFFICER. The request is that unanimous consent be granted the Senator from Vermont——

Mr. AIKEN. Mr. President, I understood that I had made the motion. I think the RECORD will show that I have already made such a motion, under the unanimous-consent agreement.

The PRESIDING OFFICER. The Chair thinks so. Perhaps it ought to be restated.

Mr. O'MAHONEY. Mr. President, I am not making a motion. I am merely asking unanimous consent that the regular order may be waived so that the motion may be debated. I hope the Chair will put the request.

The PRESIDING OFFICER. The other unanimous-consent request was that it be carried over, the Chair understands.

Mr. O'MAHONEY. That is correct.

The PRESIDING OFFICER. The Senator from Wyoming requests unanimous consent that the regular rule requiring committee amendments to be considered first be waived, and that the Senator from Vermont [Mr. AIKEN] be permitted to move to strike out lines 2 through 12, on page 53 of the bill, and that that motion be disposed of before further proceedings are had on the bill. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Vermont is recognized.

Mr. AIKEN. Mr. President, I move that the proviso on page 53, beginning in line 2 and extending through line 12 on the same page, be stricken from the bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Vermont.

Does the Senator from Vermont wish recognition?

Mr. AIKEN. No; I have no particular desire to speak first on this matter.

The PRESIDING OFFICER. The Senator from Oregon [Mr. CORDON] had requested recognition.

Mr. CORDON. Mr. President, this situation points out again some of the very grave deficiencies in our methods of procedure on the floor of the Senate. I rather doubt that there are half a dozen Members of this body who have glanced at, much less read, the exhaustive hearings held on this bill in the House of Representatives, or have glanced at, much less read, the companion hearings held on it by the Appropriations Subcommittee of the Senate. As a result, we are ill-equipped indeed to act with the considered judgment which should accompany any action varying the conclusions of the committee which has, by virtue of its being so charged by the Senate, gone into these various matters.

Mr. President, it is unfortunate that time is at such a premium that the Members of the Senate cannot equip themselves to pass on major questions when they reach the floor of the Senate. Yet we know that we do not have sufficient time, that minutes themselves are precious to us.

With reference to the matter now at hand, Mr. President, I very frankly say to the Chair and to my colleagues on the floor of the Senate that I am not equipped to go into all the matters connected with what may be a most important matter to the Government, and unquestionably is one of great importance to those who hold title to these two ships.

Mr. President, I am not here as a champion for the shipowners. I frank-

ly say I do not know where the equities of this matter rest. It is odd, to me, that we should have the question before the Senate, and that it should rest upon the curious proposition of whether the United States Senate shall legislate in favor of one member of the Maritime Commission against the other members, and thus put its seal of approval upon a conclusion reached by a minority. How, under the circumstances, as a matter of fact, can the Senate inquire at all into the merits of the question? Mr. President, it is something that is beyond me.

I am on my feet only because I received from the Matson Navigation Co. a statement with reference to these two ships. Frankly, Mr. President, I do not know that the statement is correct. On the other hand, I do not know that it is incorrect. But it comes from the Matson Navigation Co., over the signature of the managing agent of that company. I feel that even a steamship company—regardless of whatever presumptions may be raised for or against it in various minds—has its right to be heard on the floor of the Senate, along with a member of the Maritime Commission. So I shall read the statement. It is dated May 16, 1949, and reads as follows:

"MARIPOSA" AND "MONTEREY"

The passenger liners, *Mariposa* and *Monterey,* were placed in the service between the Pacific coast and Australia in 1932. They were constructed at a total cost for both of approximately $16,600,000 without any subsidy aid, but with a construction loan from the United States Shipping Board. The loan was paid off in full by 1942.

The vessels were turned over to the Government for wartime use in December 1941. They carried in excess of 370,000 military personnel and received the highest commendation from military authorities as all-purpose transports.

The Government's obligation to restore these vessels to a condition suitable for commercial operation was embodied in letter agreements between War Shipping Administration and the company, executed in 1946. The extent of the Government's obligation was fixed at roughly $5,650,000 per ship.

The company agreed to accept this amount in full settlement of the Government's obligation. The sum was not paid outright, however, but was conditioned upon the reconversions being completed. These two ships together, with the *Lurline,* owned by Matson, were the only vessels treated in this manner, and this policy of installment payments was later rejected by the War Shipping Administration.

The company has received one-third of the amount payable on the *Monterey,* and two-thirds of the amount payable on the *Mariposa,* or a total of one-half of the amounts due on both vessels.

The actual cost of rebuilding these vessels so far exceeded the estimates that the company was forced to suspend further work in July 1947. Excluding the amounts received from the Government, the company has expended to date over $12,500,000 of its own funds on physical reconversion.

For over a year the company has endeavored to find a solution to this problem with the Maritime Commission.

Public Law 862—Eightieth Congress (Independent Offices Appropriation Act for the fiscal year 1949) provided "That the Commission may expend amounts to acquire the vessels *Mariposa* and *Monterey* and materials and equipment in conjunction therewith on hand or committed for and expend the amounts necessary to complete the vessels, if required for the development and maintenance of the commerce of the United States and for use of the United States in time of war and national emergency, from any amounts available within this limitation."

H. R. 4177 (Independent Offices Appropriation Act, fiscal year 1950)—

Which is the bill now before us, Mr. President—

reaffirmed and strengthened the Commission's authority to take action with respect to these vessels. The pertinent language read as follows: *"Provided further,* That any funds and contract authority available for new ship construction under the limitation herein, and any funds and contract authority available for new ship construction in the Supplemental Independent Offices Appropriation Act, 1949, shall be available during the fiscal year 1950 in such amounts as may be necessary, in the discretion of the Commissioners, for use in acquisition and completion of the vessels *Mariposa* and *Monterey,* or either of them, as authorized in the said Supplemental Independent Offices Appropriation Act, 1949."

In submitting its report to the House, the committee made the following statement: "The committee has continued available during the fiscal year 1950 the funds and contract authorization for 1949, and also has made available, funds and contract authorization for the fiscal year 1950, for use in acquisition and completion of the vessels *Mariposa* and *Monterey* or either of them. This authority was provided in the 1949 act but it has not yet been made use of. In continuing this provision, the committee wishes to make it clear that action taken is left to the discretion of the Commissioners, and that in acquiring the *Monterey* or the *Mariposa* or both from Oceanic and in their sale to another United States flag operator, it is to be understood that the Commission may resell such ships on mortgage terms or may contribute a construction differential subsidy to the cost of improvements to the vessels, or both."

The proposals submitted by Oceanic contemplate (1) the completion of the *Mariposa* and her operation under the ownership of Oceanic in the essential service between the Pacific coast of the United States and Australasia, and (2) the completion of the *Monterey* and her operation by American President Lines in the essential service between the Pacific coast and the Far East. American President Lines has offered to enter into a long-term charter for the *Monterey* if completed by the Commission in accordance with the company's specifications.

The *Lurline,* a sister ship, has been rebuilt and is now operated by Matson between the Pacific coast and the Hawaiian Islands. The Coast Guard has stated that she has a normal economic life of at least 15 years from the date that she reentered service, and a similar ruling would apply to the *Mariposa* and *Monterey* when completed.

The *Mariposa* and the *Monterey* are now immobilized in semifinished condition at San Francisco. In view of the cost of shifting these vessels in their present conditions, it is highly probable that contracts for their completion by a shipyard would be awarded to a west coast company, thus providing employment for upward for 3,000 men for a year.

The merchant marine is woefully deficient in first-class passenger liners. The passenger capacity of the two unfinished Oceanic vessels represents 50 percent of the existing passenger capacity of liners with a speed of 20 knots or over operating under the United States flag.

I call attention to the last statement:

The over-all financial loss to Oceanic under either proposal heretofore submitted to the Commission would be from eight to ten million dollars.

Mr. President, again I say I do not know all the facts in connection with this matter. I call attention to the statement that was made by the owners of the ships for themselves and their subsidiary Oceanic, because I feel that their views should be before the Senate when it acts on the matter.

In conclusion I call attention only to this further factor: The greatest crime, so far as I can see, that has been committed by the owners of these ships is that they turned the ships over to the Government to haul troops in time of war. The greatest crime committed by the ships was that they hauled the troops. These people ask now only that the ships be put in shape to continue the kind of service they were engaged in before the war. Whatever intervening factors there may be are without my knowledge. I have done my duty in presenting to the Senate the views of the owners as they have been presented to me.

Mr. AIKEN. Mr. President, the statement which the Senator from Oregon has read as having been received from the Matson Steamship Co. has been very interesting, but I heard nothing at all read and no argument given which proves to me that the Matson Steamship Line or any of its subsidiaries is entitled to over $10,000,000 from the United States Treasury to pay for what was clearly one of their own, quoting the House, "managerial mistakes." The fact seems to be that when the war broke out Oceanic chartered these two passenger vessels, the *Mariposa* and the *Monterey* to the War Shipping Administration, and during the war the WSA converted them to troop ships. When the vessels were returned to Oceanic in 1946 they were returned "as is," but the War Shipping Administration made a flat allowance on each vessel in excess of $5,000,000—I believe it was nearer $6,000,000 each—for reconverting such vessels to their commercial status, with the understanding that one-third of this allowance would be paid when the work was started, one-third when half completed, and the remainder upon completion. Apparently those payments have been made as agreed upon when the work was started, one-third when the work was begun on each vessel, and I believe one vessel is over half completed, and another third has been paid upon that, as stated by the Senator from Oregon. However, Oceanic decided to reconvert that vessel and also to add certain improvements at its own expense. It is my understanding these improvements would normally cost $2,000,000 or $3,000,000 per ship. The Oceanic Co. obtained bids for the job of adding improvements and making the reconversion. The Newport News Co., which is one of the most substantial and best equipped shipbuilding companies in the world, bid $8,200,000 on a fixed-price basis. Oceanic rejected this bid and gave both jobs to a repair company, the United Engineering, which is also wholly owned by the Matson Line. By the time the job was about 60 percent completed on the *Mariposa* and 30 percent on the *Monterey* it was found that it would cost

$15,000,000 or more to complete each vessel, as against Newport News bid of $8,200,000. The work was stopped, and the company began to look for a bail-out from the Government.

This story is told very completely in a memorandum to the United States Maritime Commission prepared by one of its members, Raymond S. McKeough, under date of July 18, 1949, and I think I can do no better in explaining the situation than to read Commissioner McKeough's memorandum to the Commission. It is my understanding that after the Oceanic Line requested its bail-out, Commissioner Carson, West Coast Commissioner of the Maritime Commission, gave a memorandum to the full Commission under date of July 6, and in substance recommended acceptance of Oceanic——

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. AIKEN. I yield.

Mr. KNOWLAND. I am not clear in my own mind in view of the statement the Senator made prior to this, whether he is reading from the statement of Commissioner McKeough or whether it is his own statement he is now making about the bail-out.

Mr. AIKEN. I have not been reading from the Commissioner's statement up to this time, but I think I had better begin at once, so that my statement and his statement may not be mixed. The following is the Commissioner's statement:

THE CASE OF THE STEAMSHIP "MARIPOSA" AND THE STEAMSHIP "MONTEREY"

Reference is made to Commissioner Carson's memorandum of July 6, 1949, in substance recommending acceptance of the Oceanic Steamship Co.'s proposal of September 15, 1948. I recommend disapproval for the following reasons:

1. Oceanic, claiming that the cost of reconverting the *Mariposo* and *Monterey* and of the improvements Oceanic decided to make has expanded beyond its financial ability, and that operation of two passenger ships in the Australian trade is unwarranted, asks the Commission, and Commissioner Carson so recommends, for four concessions:

First, the Commission is to reopen and revise the redelivery settlement contract between the War Shipping Administration and Oceanic so as to pay Oceanic for the completion of the *Mariposa* not only what is still due under the contract for the *Mariposa*, approximately $1,900,000, but also the remaining two-thirds, approximately $3,800,000, of what W. S. A. agreed to pay for the reconversion of the *Monterey*, while at the same time waiving the completion of the *Monterey*.

Second, the Commission is to take over from Oceanic the one-third completed *Monterey* for which Oceanic says it has no use, plus all materials delivered or ordered, for approximately $4,800,000, the book value of the vessel and the full cost of the material.

Third, the Commission is to grant Oceanic a 10-year extension of its operating subsidy contract modified to require operation of the *Mariposa* only, under special waiver in view of her advanced age.

Fourth, the Commission is to permit diversion of the *Mariposa* from Oceanic's Australia service to the Hawaii service of the Matson Steam Navigation Co., Oceanic's parent, for four or more round trips each year.

It is easy to see how the question of "bail-out" arose, although Commissioner Carson says on page 10 of his memorandum of July 6 that whether "* * * mitigation of the terms of the agreement must perforce be deemed a release from its own (Oceanic's) improvidence * * * is not the question before us." The existing contracts, Oceanic's difficulties, and its proposal for Commission action to extricate it out of this situation, in my judgment, put this question very much before us. Whether or not the motive of those favoring Oceanic's proposal is the desire to release it "from its own improvidence," the effect would be just that.

2. Oceanic voluntarily and freely entered the contracts under which the Government would pay it approximately $11,300,000 if Oceanic reconverted the two ships. There is no claim or even hint of "duress." I am told by Captain Conway, War Shipping Administrator, when the contracts were entered into, that it is his recollection that Oceanic avidly sought the contracts and did not at all object to their terms.

Oceanic began the reconversion. Whatever the reasons—the award of the contracts to a repair yard, likewise a subsidiary of Matson, with rejection of the fixed price bid of the Newport News Shipbuilding & Dry Dock Co. no doubt was a major factor—Oceanic-Matson found that the cost would exceed estimates. Moreover, the prospects of the Australian passenger service appeared more doubtful. Aware of the Government's anxiety about the state of the United States-flag passenger ship fleet, and of West coast shipyard labor's desperate need for work, Oceanic halted the reconversion work and told the Nation and the Commission that work would not be resumed under the agreed terms, but only if the Government would double and triple its cash contribution by paying Oceanic for one ship what Oceanic had freely accepted as the proper payment for two ships and by taking the second ship and all materials off Oceanic's hands without loss to Oceanic, thereafter, if the Government desired, completing the second ship at its own (Government's) expense at an additional cost of $10,000,000 or more, throwing in for a "bargain" a request for a 10-year operating subsidy contract for greatly reduced service but with special accommodation for Matson, the parent.

All this with the implication that, if the proposal were not adopted, the Commission, not Oceanic, would have to bear the responsibility for nonrestoration of Oceanic's two ships and the resultant loss to shipyard employment, the American merchant marine, and the national defense. I protest both the approach and the terms offered by Oceanic which I consider unwarranted from the viewpoint of the interests of the United States Government.

3. The proposal under discussion is Oceanic's second. When it was first discussed last September, I pointed out that it was even more unfavorable than the first proposal which the Commission unanimously rejected on July 1, 1948. This still applies. Under the first proposal, as shown by the staff committee memorandum of May 17, 1948, to the Commission, the latter would have acquired both vessels for $10,827,000 whereas under the present proposal, the Commission would acquire only one vessel with a cash outlay of approximately $10,200,000.

4. The Commission is now being told in essence that it may reopen the contracts, indeed any contracts, and change their terms at is discretion, provided such action in its opinion would substantially benefit the Government. The Commission is also told in the legal memorandum attached to Commissioner Carson's memorandum of July 6, 1949, that its " * * * discretionary power is not dependent upon its being wisely exercised."

There is much I would like to say about this amazing thesis, but in the interest of brevity I merely call attention to the fact that the Appropriations Committee of the Senate of the United States vetoed this concept in the case of the *Mariposa* and *Monterey*. In recommending continued authority for the Commission to acquire and complete Oceanic's ships, the Senate Committee not only pointedly admonished the Commission to "protect the interests of the United States in all such negotiations" (page 10 of Rept. No. 639, July 8, 1949), but inserted in the bill proper the very word "wise" before the word "discretion."

We may be told that this has little "legal" weight, but I for one cannot conceive that this and the rather unusual congressional admonitions and qualifications in both the House and the Senate reports are anything except warning signals which the Commission cannot brush aside with impunity. I may add that both the House and the Senate committees made it quite clear that the appropriation authority granted the Commission is no directive to acquire the *Mariposa* or *Monterey*, or both. It is an administrative matter for which the Commission remains responsible; the Congress merely made it possible for the Commission to deal with the matter on its merits.

Apparently Mr. McKeough anticipated the passage of the bill, including the provision which is now under discussion.

5. Commissioner Carson recommends that the Commission reopen a settlement and reverse a decision made by its predecessor in office, the War Shipping Administration. In his decision of July 21, 1936, 16 Comp. Gen. 51 (A–66833), the Comptroller General, based on a long line of court decisions, said:

"It is a principle of long standing that an officer of the Government may not reopen a settlement or reverse a decision made by his predecessor in office except upon production of new and material evidence, or to correct manifest mistakes of fact such as errors in calculation, or for fraud or collusion."

None of the conditions listed in the Comptroller General's decision are present in our case. Commissioner Carson does not refer to this decision but on page 9 of his memorandum of July 6 concludes that approval of Oceanic's proposal by the Commission would be "* * * not subject to review as to the exercise of its authority by the courts or an accounting officer of the Government."

In other words, if the Commission decides to give this $10,000,000 to the Matson Line, neither Congress nor the Comptroller General of the United States will have anything to say about it.

Commissioner McKeough continues:

The opposite is true. Any further payments under the W. S. A. contracts involved, whether or not they are rewritten, would have to come from the special fund set up in the Treasury Department for the payment of obligations incurred by the War Shipping Administration prior to January 1, 1947, which includes redelivery obligations with respect to privately owned vessels used by the Government during the war.

As to such payments, the Congress has superimposed the authority of the Comptroller General over that of the Commission by requiring the Comptroller General's certification of the propriety of vouchers presented by the Commission to the Treasury Department. In the case of the *Mariposa* and *Monterey*, there is good reason to assume that the Comptroller General, regardless of what he may do in other cases, will very carefully review the propriety of Commission revision of the W. S. A. contracts to the substantial financial advantage of the other party: In his letter of July 31, 1947, the Comptroller General questioned the propriety of even the existing W. S. A. settlements of the *Mariposa* and *Monterey* redeliveries.

Thus already on record, the Comptroller General holds full veto power over the action recommended by Commissioner Carson.

6. The Commission is told that Oceanic's proposal is substantially advantageous to the Government. I do not believe it is.

First, we are told, the proposal is advantageous because it would assure the completion of reconversion of the two ships which the existing contracts did not assure. I do not quite see how agreement to complete the *Mariposa* could serve us a consideration, under the proposal, of payment by us of approximately $5,600,000, inasmuch as completion of the *Mariposa*, under the existing *Mariposa* contract, would already be the consideration of our paying Oceanic approximately $1,800,000.

Commissioner Carson's recommendation, moreover, would assure completion of the *Mariposa* only. There are no recommendations as to the completion and disposal of the *Monterey*. Under the present contracts, the cost to the Commission, from here on, for the completion of the *Mariposa* would be approximately $1,800,000. If the ship is not completed, there will be no further cost to the Government. Under Commissioner Carson's recommendation, the total cost to the Commission would be approximately $10,200,000, or nearly six times as much. I do not believe that a prudent businessman would pay $8,400,000 for assurance of completion.

Such a contribution to private enterprise for the purpose of persuading it to restore its own property would be a new type of subsidy of which the 1936 act says nothing. Were it not for the assumption that the Government is anxious to have Oceanic complete the *Mariposa*, the proposal, not only to raise the ante, but to sextuple it, I believe, would never have been made in serious vein.

7. True, the Commission, by the increased total payment to Oceanic, in addition to assuring completion of the *Mariposa*, would also acquire the unfinished hulk of the *Monterey*. However the Commission is not in the business of buying up old passenger ships, and particularly incomplete ones, in order to take them off their owners' hands, except under title V of the 1936 act, in trade-in on new construction which Oceanic does not propose.

The Commission already owns several old passenger ships such as the *Washington* and the three good-neighbor ships, as well as some new ones including the *President Wilson*, *President Cleveland*, and *LaGuardia* none of which, unfortunately, it has been able to sell. To add to that—unwanted—Government-owned fleet still another old ship, particularly what is in reality only one-third of a ship, is advantageous neither to the Government nor to the merchant fleet.

On the other hand, were the Commission to complete the *Monterey*, the Government's investment in that ship would exceed $18,400,000 made up of approximately $3,800,000 to be paid under the proposal to Oceanic as balance of the *Monterey* contract, about $4,600,000 purchase price, and $10,000,000 plus for completion. With the cost of building a fully up-to-date new passenger ship of similar size estimated at between $20,000,000 and $25,000,000, investment of over $18,400,000 in a ship which is already almost overage, surely would be neither wise discretion nor substantially advantageous to the Government.

Nor does the proposed payment of $4,600,000 for the hull of the *Monterey* and materials appear to have been properly computed. There is no provision for deduction of the depreciated construction subsidy paid—by the Maritime Commission's own testimony—through the mail contracts under which the *Mariposa* and *Monterey* were built (see hearings on H. R. 5130, merchant marine bill, 1939, pp. 204 to 207 and 225, Committee on Merchant Marine and Fisheries, March, April, May 1939).

There is likewise no provision for the proper deduction, from the cost of the materials of $3,021,000, which is to be subject only to verification of quantity and cost, of at least part of the Commission's initial payment of approximately $1,900,000 under the *Monterey* contract. To pay in effect twice for some of the same materials would hardly be advantageous to the Government.

8. Most important, however, is the fact that the Commission has no buyer for the *Monterey*. The American President Lines, Ltd., at one time considered purchase, but now proposes only to charter the *Monterey* for the short span of 3 years, at the end of which she will be 21 years old. In the face of contractual obligations to buy or build new passenger ships, American President Lines did not so far agree to purchase the modern *President Cleveland* or *President Wilson* in spite of their extremely low statutory sales price.

The Government is not in the business of acquiring old incompleted passenger ships and reconstructing them at high cost for the purpose of short-term chartering. The seven passenger ships which the Commission already owns and to which I have previously referred not only remain unsold so far but could only be chartered at rates under which the Government's investment in these ships is not being recovered.

When the acquisition of the *Mariposa* and *Monterey* was first authorized, the then Chairman of the Commission assured the House Appropriations Committee that no funds would be spent for the ships unless recovery of such funds were assured. In reporting our 1950 appropriation, the House committee, as quoted on page 5 of Commissioner Carson's memorandum of July 6, 1949, went to great lengths to limit our discretion with respect to the Government's contribution in the resale of the vessels.

The President, himself, in 1948 ruled out construction of vessels except under firm sales contract. (See letter from the President dated April 15, 1948, to the Chairman of the Commission.) He just extended this injunction to the 1951 budget (letter of July 1, 1949, from the Director, Bureau of the Budget). I cannot conceive that he would be more favorable to the purchase of unfinished hulls by the Commission and their reconstruction, except under firm resale contract.

With this history, plus the Senate's extraordinary admonitions already mentioned by me, I do not see how the Commission can justify acquiring the *Monterey* without securing first a binding contract for her resale to another American operator.

9. A prudent businessman who owns unimproved properties would improve them instead of acquiring, at high cost, additional unimproved property, especially if no buyer is in sight for either.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from Michigan.

Mr. DONNELL. Mr. President, may we have order?

The VICE PRESIDENT. The Senate will be in order, in the rear.

Mr. FERGUSON. I hope the Chair's admonition will be clear in the RECORD.

The VICE PRESIDENT. The Chair is speaking collectively, not individually. [Laughter.]

Mr. FERGUSON. Mr. President, I ask the Senator from Vermont if it is his understanding, and if the facts are, that the vessel, the *Monterey*, will be repaired by the United States Government, that is, by the Maritime Commission? The title at the present time is in the Maritime Commission as I understand. Is it the understanding of the Senator from Vermont that the United States Government will make these repairs to the extent of about $15,000,000, and that there is no sale of that vessel, but merely an operating lease to a company for 3 years?

Mr. AIKEN. That is my understanding, except I believe the title is now with the Oceanic Lines, since the ship was turned back with an agreement to pay them $5,700,000, approximately, for the cost of reconversion.

Mr. FERGUSON. But when the full repair cost of $15,000,000 is paid, then the Government would own the ship, yet may not be able to sell it at any price, but merely lease it to a line to operate it for a period of 3 years?

Mr. AIKEN. According to Commissioner McKeough's statement, the Government would have an investment of $18,500,000 in it, and I do not understand that there is any sale prospects or even charter prospects in sight for it.

Mr. FERGUSON. I wish to read from Commissioner McKeough's testimony on page 673 of the House committee hearings, which bears out the idea that there is only a charter prospect:

> There is another factor involved, in that the present operating subsidy contract with the Oceanic Co. provides for the operation of two passenger-type vessels from the west coast of the United States to Australia and New Zealand. If this particular dealing—and incidentally the fixed 55 percent is the first knowledge I have that any such fixed percentage has been agreed to in the way of split of the costs predicated on a firm commitment made by the American Presidents Line to the Oceanic. It is wholly in the nebulous state of negotiation and discussion between those two companies.

That would indicate that there is not a firm contract to sell.

Mr. AIKEN. That is correct. The indications are that the Government will have invested $18,500,000, with no prospect in sight of recovering any material part of that money. Furthermore the President Line, which some time ago discussed the purchase of the ship, has since refused to purchase better ships for less money.

Mr. FERGUSON. Is the Senator familiar with this statement by Commissioner McKeough in the testimony he gave before the House committee, appearing on page 672:

> I for one am perfectly willing to be of every possible accommodation to the company, provided that in that willingess I am not asked to go beyond what I would be expected to be able to come before the Congress and justify as a prudent bit of business on the part of the Government in attempting to accommodate the management, which has apparently made a very bad guess and looks now to the Government to be angelic and Santa Claus to accommodate them and bail them out of their mistake.

Is the Senator from Vermont familiar with that language?

Mr. AIKEN. I am not familiar with the language, but it sounds like the statement of a conscientious public servant who was attempting to protect the interests of the United States.

Mr. FERGUSON. Am I to understand now that the Senator believes that if the language in question remains in the bill, the Congress will authorize the Commis-

sion to make the repairs, paying out a large sum of money, almost $30,000,000, for the repairs—the Government has already spent much of that sum—and then find itself in a position where it will not have a sale for one vessel, and will be able to sell the other vessel at any price it believes it should sell it for, and the United States Treasury is to furnish all the money in that connection?

Mr. AIKEN. I think the statement of the Senator from Michigan is substantially correct, that the wording of the provision which we are now trying to strike out of the bill would permit the Maritime Commission to make this unwise and unwarranted expenditure of Government funds, because of a bit of legislation which was incorporated in the Supplemental Appropriations Act of 1949. That is agreed to also by the chairman of the subcommittee of the Senate Appropriations Committee, the Senator from Wyoming [Mr. O'MAHONEY], our colleague.

Mr. FERGUSON. The Presiding Officer who was in the chair at the time, ruled, on the basis of a parliamentary inquiry, that the insertion by the Senate committee of the word "wise" does not add anything to the language, and that it is merely in the discretion of the Commission as to what it should do. As I understand, the Senator from Vermont now has information to the effect that three of the Commissioners would be willing to spend this money and cause the loss to the United States Government of about $10,000,000, whereas two of the Commissioners would not go along with that method of expenditure.

Mr. AIKEN. While I have not interrogated the members of the Commission, we know for a fact that one of them is in favor of making this expenditure, one is opposed, and it is reported that the Commission might vote 3 to 2 to make this wrongful expenditure of United States funds.

Mr. FERGUSON. Is it therefore not true that the Senate of the United States should not place the language in question in the bill, because that would permit the board to vote to expend this money? After we put the language in the bill it will be entirely within the discretion of the board as to what it will do with the two vessels and how much money it will expend?

Mr. AIKEN. That is my opinion. In view of the fact that the Chair ruled that the word "wise" had no meaning, I believe the majority of the Commission might regard that an encouragement to proceed and bail out the steamship line.

I will conclude reading the statement in about 5 minutes.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. O'MAHONEY. I ask the Senator from Vermont to yield at this moment because of the colloquy which has just taken place. The committee amendments at this point, weak and ineffectual though they may be, were offered by the chairman of the subcommittee after the matter had been discussed. They seemed at the time to be the largest concession that could be obtained, in view of all the testimony which had been offered at that point. But I want to have the record quite clear that I completely agree with the suggestion of the Senator from Vermont that the whole languge should be stricken from the bill. I do not think we should take any chance with a Government loss due to rather unwise contracts with the owners of the *Mariposa* and the *Monterey* in all the circumstances which have been disclosed in the testimony both before the House committee and before the Senate committee and in the records of the Commission itself.

Mr. AIKEN. I thank the Senator from Wyoming. I am sure we can have no wiser authority to look to on this particular matter than the Senator from Wyoming.

I will conclude reading Commissioner McKeough's memorandum to the Maritime Commission:

For the Government to invest over $18,500,000 in acquiring and completing the *Monterey* would not be advantageous. The same sum invested in either the *Washington* or any of the three "good-neighbor ships," vessels of similar size and age as the *Monterey*, all of which the Government already owns, and all of which require reconstruction for long-term operation, would obviously reach much further and produce greater value both for the Government and the merchant marine.

It is by no means certain, however, that the long-range interest of the American merchant marine would benefit from the restoration and modernization at substantial cost to the Government of passenger ships approaching 20 years of age. The merchant marine needs new ships.

10. It has been suggested that even if the *Monterey* cannot be resold, her acquisition would serve our national defense. Apart from Presidential and congressional injunctions against investment in vessels except for resale, the Commission is not in the business, and has no mandate under the law, to buy old passenger ship hulls for their possible defense value.

The Bureau of the Budget recently declined to approve added funds for the repair even of real naval auxiliaries already Government property. The Comptroller General, in his report on construction subsidies, severely criticized this Commission's spending for national defense and recommended amendment of the 1936 act so as to let the Defense Department pay for defense features. I do not believe that the national defense could serve to justify acceptance of Oceanic's proposal.

11. As another major additional contribution by the Government, one of Commissioner Carson's recommendations provides that the Commission grant Oceanic what amounts to a new, vastly modified 10-year operating subsidy contract.

This recommendation disregards the Commission's established procedure for the handling of operating subsidy matters. There is no staff report, review, or concurrence. There are no findings as required under title VI of the 1946 act. There are no facts presented to warrant such findings. Although Oceanic's financial plight is the basic premise of the entire proposal, no question is asked, no answer provided as to its financial qualifications for an operating subsidy. The proposed revised service, six sailings a year, is less than one-half the sailings declared necessary in the Commission's trade route report of 1946. No replacement program is provided for in spite of the age of the *Mariposa*. The entire matter of an operating subsidy is disposed of with a few cursory recommendations.

This, I submit, is not the proper way of dealing with one of the major responsibilities of the Commission.

12. In my opinion, it is doubtful, to say the least, that the proposed six sailings per year constitute a regular service eligible for operating subsidy. To my knowledge, there is no subsidized service with so few sailings. In 1946 the Commission announced that 13 annual sailings are required for this service. This figure has not yet been revised. Oceanic's prewar contract provided for 13 sailings.

No facts are presented to show that the proposed reduction to less than half is substantially advantageous to the Government. If Oceanic is unable or unwilling to provide adequate service, maybe some other operator will.

13. Moreover, six round trips are not the maximum service which the *Mariposa*, even as a single ship, would be able to make in the Australia service: For part of the year, the *Mariposa*, Commissioner Carson recommends, is to work for her real owner, the Matson Co., sole owner of Oceanic.

Under the old contract, the *Mariposa* and *Monterey* had the privilege of calling at Hawaii en route to and from Australia, thus providing a major convenience for Matson. The Commission is now to permit Matson, however, to use the *Mariposa* outright for a minimum of four (i. e., possible more) round voyages solely between California and Honolulu. I pointed out in my memorandum to the Commission of November 30, 1948 (S. S. *Mariposa* and S. S. *Monterey* of the Oceanic Steamship Co.), approved by the Commission on December 14, 1948, that Matson "* * * needs additional tonnage for the Hawaiian passenger trade where its present passenger service is handicapped in its competition with the airplane by the infrequency of the ocean service permitted by the single S. S. *Lurline*." This suggestion was brushed aside, but it is a fact that frequency of service is a major requirement, particularly on those routes on which air-line competition is especially keen. Significantly, Matson was reported during May to have newly initiated a passenger service to Hawaii, necessarily limited, on 15 of its freighters. Matson's need for additional passenger tonnage, of course, is attested to also by the proposal for the periodic use of the *Mariposa* in its Hawaiian service.

Thus, Oceanic's proposal, if adopted, would not only be a bail out, but also a device to give Matson the benefit of a spare ship for the Hawaii tourist season—maintained with Government subsidy in the Australia trade during the Hawaii off season. This may be very advantageous to the Matson Co. and may permit it to give better service to Hawaii with minimum risk and minimum cost and at the expense of the subsidized Australia service, but it is certainly not substantially advantageous to the Government. In my opinion, it would misuse the subsidy system for the private gain of a nonsubsidized carrier.

CONCLUSION

The proposal of the Oceanic Steamship Co. is as unacceptable today as it was when first broached in September 1948. We must believe in the sanctity of contracts freely entered into. Here we have Oceanic tell the Government of the United States that it will let its two ships remain unfinished unless the Government signs on the dotted line. If it is desirable to put these two ships into operation with additional help, the question must be asked, At what price? The price which Oceanic asks, in my opinion, is extortionate. The prudent businessman would not pay it, and the Commission will not pay it if it uses wise discretion.

It does not do for Matson to remember that it owns Oceanic when Matson wants something of Oceanic, such as the use of the *Mariposa* as a spare ship for the Hawaii season, but to look the other way when Oceanic needs help.

Matson must be willing to help and Oceanic must be willing to help. Any additional assistance from the Government must be through and within the 1936 act. In my aforementioned memorandum of November 30, 1948, I have pointed out the way to possible solutions of Oceanic Matson's dilemma.

Such solutions must be equitable. So far, Oceanic's proposals have not been equitable. The commission, therefore, should deny the proposal submitted in Commissioner Carson's recommendations identified as item No. 1, on the commission's agenda of July 19, 1949.

R. S. MCKEOUGH,
Commissioner.

That is the statement of one of the commissioners of the Maritime Commission. I believe he is telling the truth; and on the strength of that truth, I feel that the Senate would be very vulnerable if it voted this provision into the appropriations bill, which would permit the Maritime Commission to expend more than $10,000,000 of public funds in order to bail out from its own inexcusable mistakes a steamship line.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. FULBRIGHT. I do not quite understand what the status of the matter would be if this language were stricken out. What would happen to the ships? As I understand, the Government has already paid approximately $5,700,000.

Mr. AIKEN. No; it has not paid it. One-third was to be paid when the work was started, one-third when the work was two-thirds completed, and one-third on completion. As I understand, one-third has been paid on both ships.

Mr. FULBRIGHT. One-third of what?

Mr. AIKEN. One-third of the total, which I understand amounts to $5,700,000 per ship, has been paid. The work on the *Mariposa* has been two-thirds completed, and they have received another third of the allowance, but the work on the *Monterey* is only one-third completed. Therefore they have been paid only $1,900,000. If the work were completed, Oceanic would be entitled to two more payments of similar size. But the main point is that Oceanic called for bids for doing this work, and the Newport News Co. made firm bids of $8,200,000 per ship. Instead of letting the work to the Newport News Co., which would have included not only the reconversion paid for by the Government, but additional improvements decided by the company, Oceanic then let the work to an affiliated company on the west coast, which is also a subsidiary of the Matson Line. As the work progressed it appeared that instead of costing around $8,000,000, the amount bid by Newport News, the cost was going to be more than $15,000,000 per ship. The company quit work and asked the Government to bail them out of the trouble into which they themselves had gotten.

Mr. FULBRIGHT. What happens if the Government does not complete this payment?

Mr. AIKEN. As I understand, the *Monterey*, which is only a third of a ship at the present time, is 18 years of age, and would become over-age in its 21st year. Under the act of 1936 it would have no legal value at that time. I think the *Mariposa* is also 18 years of age. If the company can complete the *Mariposa*, with the help of the Matson Line, if it can get it, that may take care of the situation. Otherwise I think the responsibility of the United States Maritime Commission toward those two ships would be ended. They already have several ships in better condition, so they could repair the other ships for far less money, if they desired to repair ships and put them into the passenger trade.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CORDON. Does the memorandum of Commissioner McKeough appear in any of the hearings on the bill, to the Senator's knowledge?

Mr. AIKEN. I do not recall whether there is reference to it in the House hearings or not.

Mr. CORDON. I fail to find it in the Senate hearings.

When the Senator was made aware of the memorandum of the Commissioner, did he make any inquiry of the other Commissioners as to what their views on the subject were?

Mr. AIKEN. I have just received this memorandum from Commissioner McKeough. I know for years he has been attempting to restore order and a reasonable degree of efficiency in the Maritime Commission. I think that will be much easier now that General Fleming has become chairman of the Commission. It might be said that the Maritime Commission has been just about the last word in inefficiency and wrong doing among all United States agencies.

I have hopes that General Fleming, with the help of Commissioner McKeough—unfortunately I do not know the other Commissioners very well; I have met two of the others, but one of them I have never met—may be chairman in fact, and may restore order and provide the Government with the kind of work which we have every right to expect from a well-organized Commission.

Mr. CORDON. Mr. President, do I correctly understand the Senator from Vermont at least to imply, if not to charge, that the other members of the Maritime Commission are dishonest?

Mr. AIKEN. If the Senator wishes the truth, I think Commissioner Carson is trying to get this $10,000,000 for the West Coast Steamship Line, and I do not think they are entitled to it.

As to Commissioners Coddaire and Mellen, I do not know.

Mr. CORDON. Mr. President, will the Senator yield for a further question?

Mr. AIKEN. I yield.

Mr. CORDON. Has the Senator given Commissioner Carson the opportunity, which I am sure the Senator would want to afford everyone who might be so charged, to speak for himself?

Mr. AIKEN. I think Commissioner Carson has every right in the world to speak for himself.

Mr. CORDON. Has he the right here?

Mr. AIKEN. No; I do not think Commissioner Carson should have the right to speak on the floor of the Senate.

Mr. CORDON. The Senator feels that it is proper to make that charge against him, when he cannot be heard?

Mr. AIKEN. I am not making a charge. I am making a statement of fact: That Commissioner Carson has requested a reopening of this case in order to give the Matson Line $10,000,000, to which I do not believe they are entitled.

Mr. CORDON. But if I correctly understand the Senator—and let me say I have no knowledge of this matter—he has not seen fit to inquire of any other member of the Commission as to his views as to the truth, falsity, correctness, or inaccuracy of the ex parte statement of Commissioner McKeough. Is that correct?

Mr. AIKEN. Rather than call other members of the Maritime Commission here, I prefer to rest upon the authority of the senior Senator from Wyoming [Mr. O'MAHONEY], who is chairman of the subcommittee, and who says he thinks we should strike this provision out of the bill.

Mr. CORDON. Has the Senator taken the trouble to look at the hearings held by the Senate committee?

Mr. AIKEN. I have read many hearings on the Maritime Commission affairs. I have received complaints by the hundreds on the Maritime Commission since 1941. I had a staff of eight people making a management study of the Maritime Commission for about 6 months last year; and I am convinced that what Commissioner McKeough was saying was undoubtedly the truth.

Mr. CORDON. Has the Senator found any testimony in the Senate Appropriations Committee hearings on this subject? If he has, he has found more than I have found.

Mr. AIKEN. I have not read these hearings, and there would not be time now.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. LANGER. Has the Senator said anything today which has not been said time and time and time again by the Comptroller General?

Mr. AIKEN. I think the Comptroller General has said what I said time and time and time again, to quote the Senator from North Dakota.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. AIKEN. I yield.

Mr. LANGER. Has not the senior Senator from Vermont time and time and time again risen on this floor and put the written criticisms by the Comptroller General in the RECORD, and gone into the minutest detail regarding the activitie sof the Maritime Commission?

Mr. AIKEN. The Senator is correct; I have done so.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MAGNUSON. In the interest of the RECORD—and I am quite familiar with this situation, too—I wish to say that I am sure the Senator did not mean to impugn the personal honesty of the

members of the Commission. There is nothing as to that in any of these records. The question of illegality in such cases has always been a question of the use of a fund to a greater degree than the Comptroller General has thought Congress intended it to be used.

In the building of the superliner, for instance; about which we have heard, the Congress said the Maritime Commission could give 33⅓ percent. They did agree to some 40 percent, because of the so-called military betterments. There was no provision as to that. The Comptroller General thought that circumvented the will of Congress.

But I think the Senator from Vermont will agree with me when I say that I do not know of any testimony at any of these hearings or investigations before the Senate or House committees to show that anyone in the Maritime Commission, either past or present, had been personally dishonest. The question of honesty, of legality or illegality, was always a question of the interpretation of the Maritime Commission Act.

Mr. AIKEN. Commissioner Carson, from the coast probably thinks it is perfectly ethical and legal for him to get this $10,000,000 for the Oceanic or the Matson Steamship Co. if he can. What I hope to accomplish is to make it illegal for the Maritime Commission by majority vote to contribute this $10,000,000 to the Oceanic Line.

Mr. MAGNUSON. I agree with the Senator.

Mr. AIKEN. I say to the Senator from Washington, that as the act is interpreted, the Maritime Commission can commit almost every known crime and still be fairly well within the law. Certainly something should be done about that. That is the situation under the interpretations which have been given to the law. I do not think it was intended by those who formulated the original law that the Maritime Commission could do all the things it has done through interpretations in later years.

Mr. MAGNUSON. As a matter of fact, I think the Senator will agree with me that the law needs a thorough overhauling, as it applies to administrative practices and as it applies to our entire Maritime Commission policy. I say that is exactly what the Senate Committee on Interstate and Foreign Commerce is doing, namely, making a report on the whole matter with a view to suggesting at the next session various proposals along the lines we have been discussing. I think the Senator from Vermont agrees as to the desirability of that matter. There is no question that some of these matters involve mismanagement. For instance, under the present law the Chairman of the Maritime Commission is chairman only in name.

Mr. AIKEN. That is correct.

Mr. MAGNUSON. As a matter of fact, for all practical purposes he is just like any other member of the Commission. The Chairman should have authority to knock some heads together down there and get things done. The situation as it now exists should be changed. Even if we strike out this language, the present law, subject to certain conditions as to what shall be paid for the purchase of the ship, is rather wide open in regard to what should be done.

Mr. AIKEN. It has been interpreted in many different manners.

Mr. MAGNUSON. Yes.

As I have said before, I have great confidence in General Fleming and in Mr. Coddaire, who has just recently been appointed.

As for Commissioner Carson, I do not know what his activities in this matter are. Of course, I agree with the Senator from Vermont.

Commissioner Carson has not been there so very long. However, under his suggestions a new practice is being adopted in the Commission, by which they now have a general manager.

Mr. AIKEN. That is correct.

Mr. MAGNUSON. His sole duty is to see that administrative knots are untied, so that affairs will run more smoothly.

Mr. AIKEN. In fairness to Commissioner Carson, let me say that at the time when the management study was being made under my direction last year, he was most cooperative, as indeed were the other Commissioners. It was under the recommendation of the Senate Committee on Expenditures in the Executive Departments that the Maritime Commission did reorganize its structure.

Now, I think the first thing to do is to approve the reorganization plan sent to this body 6 weeks ago by the President. That will make the Chairman of the Maritime Commission Chairman in fact, not Chairman in name only. Then the maritime law should be clearly overhauled and rewritten in such way, if possible, that it cannot be misinterpreted and misapplied. But in the meantime I think this provision that will permit the "bailing out"—and I think the House subcommittee used the right word; "bailing out" is a process which has been frequently used in the Government since I have been a Member of the Senate—should be stricken from the bill, so as to make it impossible for that to be done.

Mr. KNOWLAND. Mr. President, if the Senator will yield, I did not quite get his answer to the question asked earlier by the Senator from Oregon. Does the Senator from Vermont know whether or not Commissioner McKeough appeared before either the House committee or the Senate committee to give testimony along the line of that ex parte statement?

Mr. AIKEN. I believe somebody quoted from his testimony before one committee or the other; I think it was the House committee. As I remember, both Commissioner Carson and Commissioner McKeough appeared before the House committee.

Mr. WILLIAMS. Mr. President, if the Senator from Vermont will yield, the Senator from Washington [Mr. MAGNUSON] pointed out that there had been no charges made by the General Accounting Office as to any of the officials of the Maritime Commission or the War Shipping Administration. I was wondering whether the Senator from Vermont remembers the report on the Maritime Commission, dated October 30, 1947, addressed "The Congress":

> In the course of the regular audit of the accounts containing expenditures by the War Shipping Administration there has been disclosed a transaction which I consider properly should be brought to the attention of the Congress. Not only does that transaction appear to involve an excessive and highly improper expenditure of public funds but the indications are that the Government officials responsible for the action wholly and unconsciously disregarded the interests of the United States to an almost unbelievable extent.

It is one of the many reports I shall discuss on the floor of the Senate at a later date. It is a copy of a report signed by the Honorable Lindsay C. Warren.

Mr. AIKEN. I thank the Senator.

Mr. FERGUSON. Mr. President, I wonder whether the Senator from Wyoming will answer a question for the RECORD, because I think it should be made clear. The question is this: If the Senate strikes out, beginning with the word "Provided" on page 53, line 2, down to and including the semicolon at the end of line 12, the Commission would not be permitted under the general law to use the money for the purposes set forth in the language which would be stricken out. Is that correct?

Mr. O'MAHONEY. That is my understanding. The appropriation act which was passed in the last session of the Congress, for the fiscal year 1949, contained the first provision I have been able to find which refers to the *Mariposa* and the *Monterey*. That provision which I have read today——

Mr. FERGUSON. I am familiar with it.

Mr. O'MAHONEY. Gave to the Maritime Commission additional authority with respect to the *Mariposa* and the *Monterey*, which it does not have under the Maritime Act, as amended. Since the provision in the pending bill is based upon the appropriation bill of the last Congress, as is set forth there, it provides for the use of funds and contract authority. The elimination of this paragraph, as I see, would deprive the Commission of any of the special authority which was granted it last year in the 1949 independent offices bill, and of course, it would strike from this bill any authority, and therefore the authority the Senator is concerned about would no longer exist.

Mr. FERGUSON. I thank the Senator.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 755. An act to extend the time for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill.;

S. 803. An act to provide for the conveyance of a tract of land in Prince Georges County, Md., to the State of Maryland for use as a site for a National Guard armory and for training the National Guard or for other military purposes;

S. 1136. An act to amend the Canal Zone Code, and for other purposes;

S. 1137. An act to revise and codify laws of the Canal Zone regarding the administration of estates, and for other purposes;

S. 1278. An act to fix the United States share of project costs, under the Federal Airport Act, involved in installation of high intensity lighting on CAA-designated instrument landing runways;

S. 1285. An act to authorize progressive partial payments to sponsors under the Federal Airport Act program;

S. 1459. An act to amend section 6 of the Civil Service Retirement Act of May 29, 1930, as amended;

S. 1577. An act to revive and reenact, as amended, the act entitled "An act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or briges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill.," approved December 21, 1944; and

S. 2030. An act to clarify the laws relating to the compensation of postmasters at fourth-class post offices which have been advanced because of unusual conditions.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 329) amending an act making temporary appropriations for the fiscal year 1950, and for other purposes, and it was signed by the Vice President.

COMPLICATIONS RESULTING FROM DELAY IN ACTING ON ITO CHARTER

Mr. MILLIKIN. Mr. President, I should like to bring to the attention of the Senate a story appearing in the New York Times of today, with the heading "United States embarrassed at Paris parley." The subheading is, "Stalling tactics seen at Annecy because of Congress' delay on Habana Charter." The story is by Michael L. Hoffman and bears the dateline, Annecy, France, July 31. The story reads as follows:

The delay in congressional action on the charter of the International Trade Organization is placing the United States Government in increasing difficulty as it seeks to protect United States interests in the rapidly changing world trade situation.

I think the Senate should be impressed with the fact that at least the primary cause of any delay is entirely in the executive department of this Government, which is promoting the meeting at Annecy. The executive department of the Government has been in position since a year ago last March to submit ITO to the Congress for action. The Congress last year extended the Reciprocal Trade Agreements Act 1 year on the theory that within that time the proposed charter of International Trade Organization would come before us for consideration in relation to the counterpart provisions of the Geneva Agreement of 1947, to which the executive department has attempted to commit us without congressional approval.

The executive department held the charter for ITO from March, 1948, until April 1949. By April, 1949, when ITO was submitted to the Congress the administration's extension bill for the Reciprocal Trade Agreements Act had passed the House, had been considered in the Senate Finance Committee, had been reported favorably by the Senate Finance Committee, and had been placed on the Senate Calendar for action. The State Department, which is the active agency in these matters, knew that the Foreign Relations Committee, to which ITO was referred, was so overloaded with work that there was not a chance for action during this session of Congress.

So we have the remarkable spectacle of an international conference having been promoted by the State Department which is now stalling at Annecy because of its own stalling prior to Annecy, and which it now attributes to Congress. The story goes on to say:

United States negotiators here are not only hammering out new tariff agreements with nearly a dozen countries but also seeking to minimize damages to United States trade and economic interests from various forms of restrictions and discrimination applied by other countries suffering from the shortage of dollars. The United States team does not know whether to speak loudly in defense of American interests on the assumption that the Habana Charter ultimately will become a law—

Mind you, please, Mr. President, under the general provisions of the Geneva Agreement, we have already agreed, according to the claim of the State Department, to abide by the principles of the proposed Habana Charter but nevertheless American representatives are sitting around the conference table at Annecy, and, according to the reporter—

The United States team does not know whether to speak loudly in defense of American interests on the assumption that the Habana Charter ultimately will become a law, speak softly so as not to make commitments it may not be able to keep, or stall. At the moment it is believed to be stalling on most issues.

Imagine, Mr. President, our sending a team to some foreign country for an international negotiation, which spends its time stalling on the issues which it has promoted before that conference and which can be resolved, according to its prior claims, by the power residing in the general provisions of the Geneva Unilateral Trade Agreement.

The article goes on to say:

Two of these issues before the contracting parties to the general agreement on tariffs and trade (the body representing signatories of the General Tariff Agreement of 1947) are intimately related to the United States position in the face of the British crisis and specifically to the United States position in the coming September discussions with the British and the Canadians, on the outcome of which the whole future of world trade seems to all of Europe to depend.

The first is that the British suddenly proposed to bring into force that part of the Habana Charter that would govern international commodity agreements.

That is a polite word for "international cartels"—

The British seem to believe such action would speed up the negotiation of agreements like the recently concluded wheat agreement that would provide price support for some of the principal sterling-area exports, such as rubber, tin and jute.

That, Mr. President, is a polite way of saying that we should pay more for rubber, tin, and jute. The article goes on to say:

United States representatives are not quite clear why the British want chapter VI of the Charter to be activated for this purpose when commodity agreements can be negotiated without any new machinery, but nevertheless the question has been raised.

I may add that the British also have agreed, under the general provisions of the Geneva agreement, to abide by the principles of the proposed Habana Charter, which have not been approved by the Congress and which the administration concedes must be approved by the Congress, in order to become effective.

The article goes on as follows:

The United States administration, it is felt here, apparently cannot make up its mind what to do.

In a preceding paragraph we find that they do not know whether to speak loudly in defense of American interests, or whether to stall, and they have decided to stall. We now find that they cannot make up their minds what to do. Is not that a grand negotiating team to send to an international conference to represent us? We are left with the warming hope of victory by indecision.

The article further states as follows:

It is pictured as not wishing to give ammunition to congressional critics who have charged that the administration is trying to put the Charter into force prior to congressional approval.

Mr. President, there is no charge about it. The explicit language of the general provisions of the Geneva multilateral trade agreement, entered into 1947, purports to pledges us to adhere to the proposed Habana Charter. The State Department, of course, is aware of what is in that agreement.

The article goes on to say:

On the other hand, the United States, as the foremost buyer of most world commodities, has definite interest in having any agreements reached conform more or less to the Habana Charter principles to prevent their becoming mere price-rigging schemes directed against United States buyers.

We have already agreed, if the agreement is valid, which it is not, to abide by the principles of the Habana Charter. I continue reading:

The second issue is whether to use the machinery of the contracting parties to bring together the major trading countries for a thorough multilateral effort to prevent the world's being split interminably into dollar and nondollar areas. European and United States trade experts privately agree that no other existing organization provides a suitable framework for discussing the roots of the dollar problem.

Here again the United States delegation doesn't know exactly what line to take. At first the United States welcomed the suggestion that part of the Geneva agreement providing for dealing with the general disequilibrium in world trade be brought into play. Second thoughts in Washington—again according to United States sources here—based on the fear of doing anything before Congress acts on the charter, have led United States representatives to abandon support of the proposal to start the secretariat working in preparation for a general conference to tackle international trade disequilibrium.

As a matter of fact, such a secretariat is already working on the agenda for

the next meeting, if one should ever be held, on the proposed ITO.

The article goes on to say:

Yet it is clear to European and United States experts here that if the United States went into the September discussions with the British without some positive suggestions for dealing with the crisis in world trade—

Mark this, please—

the British would have no alternative to protective action, the chief sufferer from which would be the United States.

The British are maintaining overvalued sterling; they are maintaining their preferences; they are promoting bilateral agreements; they engage in government monopolies and cartels; they have import licenses, and if they can invent any additional discrimination against our trade it would be a masterpiece of ingenuity. I am not "twisting the lion's tail"; I think many of the things they do are required to be done because of their situation; but think of the utter naïveté, to say that the British would have no alternative to protective action, when they already have taken every protective action in the book.

I read further:

Nobody close to these problems believes Congress really wants the United States to act on the basis of any other principles than those of the Habana charter—

Of course, very few people in the United States know what is in the Habana charter; and the more assiduously students study it, the less they know what is in it—

but the United States Government, it is held, cannot at the moment take any leadership on the basis of those principles.

This is true for the principles are all destroyed by the exceptions.

If our delegation at Geneva is holding out optimistic hopes that Congress will throw its hat into the air with enthusiasm when, if ever, ITO comes before it, I respectfully suggest they had better put the damper on that. In my humble judgment, it will not be approved by the Congress.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Vermont to strike out the proviso on page 53.

The amendment was agreed to.

The VICE PRESIDENT. The clerk will state the next amendment.

The next amendment was, on page 53, line 13, after the word "facilities", to strike out "$409,700" and insert "$443,700."

The amendment was agreed to.

The next amendment was, on page 53, line 14, after the word "warehouses", to strike out "$461,550" and insert "$501,550."

The amendment was agreed to.

The next amendment was, on page 54, line 6, after the word "expense", to strike out "$6,534,800" and insert "$7,134,800."

The amendment was agreed to.

The next amendment was, on page 55, line 3, after the word "Commission", to strike out "$6,586,000" and insert "$3,151,050."

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SALTONSTALL. I should like to see the amendment of the Senate rejected and the amount proposed by the House reinserted. If the amount proposed by the House is reinserted, there must be a corrective amendment in line 20 on page 54, and in line 1 on page 55. I have an amendment which will accomplish that result and add four words to the end of the line to make another corrective statement which occurs in the Senate committee's report. My parliamentary inquiry is, Is such an amendment in order at this time, or is it a personal amendment?

The VICE PRESIDENT. It would be in order to amend the committee amendment at this time. It would not be in order to offer an amendment which involves House language not involved in the committee amendment.

Mr. SALTONSTALL. If the House amount is restored, then the language I have in mind will be necessary automatically.

The VICE PRESIDENT. If the House language is restored by defeating the pending committee amendment, then at another time an amendment to correct the House language would be in order.

Mr. SALTONSTALL. May I ask the chairman of the subcommittee if he has any objection to considering these amendments at this time, for in substance they really involve a rejection of the committee amendment?

Mr. O'MAHONEY. Mr. President, I would have no objection, of course, but I should like to call the attention of the Senate to the fact that we have here a budget recommendation to make a reduction in the amount of the appropriation by $3,257,000, and the subcommittee has reported a reduction in the appropriation of $3,257,000. Many Members of the Senate all day today, all day Friday, all day Thursday, and for a substantial portion of Wednesday, have been voting for reductions of appropriations. Now the Senator from Massachusetts proposes to increase the appropriation, to go above the budget estimate, and to add $3,750,000 to Federal spending. I shall be very glad to call attention to the fact when the opportunity is presented, but of course I have no objection to the handling of the matter en bloc, in the interest of expediting action.

Mr. SALTONSTALL. Then, Mr. President, in order that there may be no question, I ask unanimous consent that the amendments may be considered at this time.

The VICE PRESIDENT. The Senator from Massachusetts offers amendments which the clerk will state, and the Senator asks unanimous consent that they be considered en bloc. Is there objection? The Chair hears none, and the clerk will state the amendments.

The CHIEF CLERK. It is proposed on page 54, line 20, to strike out "$1,628,500" and to insert in lieu thereof "$3,065,000;" on page 55, line 1, to strike out "$60,000" and insert in lieu thereof "$100,000;" and on page 55, line 3, to strike out "$3,151,050" and insert in lieu thereof "$6,586,000, including the pay of cadet midshipmen and other trainees."

Mr. SALTONSTALL. Mr. President, I offer this amendment in behalf of the Senator from Florida [Mr. HOLLAND], the Senator from Alabama [Mr. SPARKMAN], the Senator from Connecticut [Mr. BALDWIN], the Senator from New York [Mr. IVES], the Senator from Maine [Mr. BREWSTER], the Senator from Massachusetts [Mr. LODGE], the Senator from Vermont [Mr. FLANDERS], the Senator from Florida [Mr. PEPPER], the Senator from Mississippi [Mr. STENNIS], the Senator from Maine [Mrs. SMITH], and possibly some other Senators.

Mr. President, as the Senator from Wyoming has said, the budget recommendation was $3,151,050. The House allowed the full amount requested by the Commission, $6,586,000. The amendment I offer is to reinsert the amount allowed by the House, namely, $6,586,000.

The additional amount is $3,453,072, made up as follows:

Allowance for expenses of 1,590 cadet-midshipmen, 880 in the 2 Federal schools and 710 in the 4 State maritime academies	$1,434,572
Allowance for expenses of 3,950 trainees at the U. S. Maritime Service Schools at Sheepshead Bay, N. Y., Alameda, Calif., and St. Petersburg, Fla	636,000
Reduction in staff of 452 persons from 1,004 down to 552 persons to operate the same units as in fiscal year 1949 with 1,104 persons, 100 of whom have already been released. Such an operation is impossible	1,382,500
Total	3,453,072

The difference of $18,122 involves minor adjustments.

Mr. President, if my amendment should be agreed to, the appropriation would still be 15 percent under the $7,744,000 appropriated for 1949, and it would represent the original request of the Budget Director.

Mr. President, in the subcommittee I voted first for the amendment as reported by the committee. Then I found that by doing so I had eliminated the pay of the cadets at the Massachusetts State school and all the other State schools and the Federal school, and as one who has always supported and believed in this training, I went to the Senator from Wyoming, advised him of the predicament in which I found myself, and told him I must reserve my right to offer this amendment on the floor, which I now do.

In substance, the amendment would allow a cadet $65 a month. A cadet has to buy his own uniforms and his own books. They pay for their own laundry, dry cleaning, and so forth. This also restores the pay for the other trainees at the maritime service schools in varying amounts from $125 for officers who go for upgrade training, $75 for experienced unlicensed personnel for upgrade training, and $65 per month for the

trainees at St. Petersburg, Fla., for unlicensed skilled positions.

If this allowance is not restored, the Superintendent informs me that about one-half of the cadet-midshipmen at Kings Point would withdraw because of the taking away of the allowance, and they do not feel that they can secure trainees at the other units without the payment of alowances. My amendment would also restore the allowance of 75 cents a day for subsistence at the four State maritime academies.

As I have said, the $1,682,500 is to permit these schools to be administered with a personnel of 1,004. This is 100 less in personnel than was available last year, but I am told they can get along with that number.

My amendment on page 55, line 1, strikes out $60,000 and inserts in lieu thereof $100,000. The purpose of this amendment is to transfer to the Public Health Service a sufficient amount of money to cover the medical service rendered by them to the training schools. This is an actual reduction of $25,000 from the 1949 budget.

The two amendments on page 54, line 20, and line 1, page 55, are made necessary because of the House amendment made on the House floor, and the other two changes were not made in order to cover the correction when the figure was increased.

Mr. President, for these reasons, very briefly stated, I hope the amendment will be agreed to. We need to keep our ships going in times of peace in case we need them in time of war, and we cannot train people overnight. The four State schools and the Federal school, and the unlicensed schools in Florida and California, are long established institutions. I hope the Senate will adopt the amendment.

Mr. MAGNUSON. Mr. President, I rise in opposition to the amendment, and I do so fully agreeing with the last statement of the Senator from Massachusetts; but this is a case of cutting the cloth to fit the suit.

As this matter came before the House committee and was examined very thoroughly, I understand the House committee adopted the same amount for this maritime training the Senate committee now has in the bill, and that the amendment similar to the one now pending was presented on the House floor to increase the amount. The graduates of these schools have been pretty active lobbying for the increased amount.

I do not say the schools have not been good, and that we do not need some semblance of the training they afford, but it seems to me it would be a great waste of money to increase the amount over and above what the two committees thought might be the real value of the schools to maritime training.

The United States Coast Guard, on inquiry from me and our subcommittee, reported that there are 120,000 licensed marine officers in the United States at the present time.

There are jobs in the active fleet today for only 14,900 officers. In other words, almost 105,000 licensed merchant marine officers who may wish to ply their trade, are out of jobs now, with no possibility of having them in our present fleet.

There are more than 850,000 certified unlicensed seamen in the United States at the present time. There are jobs in the active fleet for only 64,000 unlicensed seamen.

During the first 2 weeks of this month, July, 57 chartered American flag vessels were returned from active duty to the laid-up fleet. It is estimated that the total for this month, August, will be more than 100.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. SALTONSTALL. I would say to the Senator, without disputing the figures he has given at all, that in one of the unlicensed training schools at St. Petersburg, Fla., the total number of unskilled, unlicensed personnel to be graduated in 1950 is 600 to fill 6,000 expected replacements. In other words, the turnover, even with the reduced number of places, is so great that the graduates of this unlicensed training school represent only about 10 percent of the vacancies. In the officers' schools there are approximately 390 men to fill approximately 2,000 positions.

Mr. MAGNUSON. I ask the Senator from Massachusetts where those 2,000 positions are coming from.

Mr. SALTONSTALL. Those positions for officers are turn-over positions. My information comes from Admiral Knight, who is the superintendent for the Maritime Commission of all these schools. As I understand, by reason of the fact that men become overage and quit, there are numbers of vacancies every year. As an example, in a school in Maine to which Admiral Knight went for the graduation ceremonies on July 2 of this year, of 47 graduates, 33 had jobs as soon as they received their diplomas, and 14 more were promised jobs prior to September. So every one of those boys who graduated will have a job prior to September.

Mr. MAGNUSON. Mr. President, I must suggest that Admiral Knight's figures, which are somewhat self-serving for what he has been openly lobbying, are quite optimistic, because seamen are going out of work every single day. In the maritime hiring halls in New York, in Boston, and on the Pacific coast certified seamen have been sitting around for months looking for jobs.

As I said before, in July alone 57 chartered ships were laid up, and it is expected that 100 will be laid up this month, so another 4,200 maritime jobs will evaporate in the month of August alone. That condition has been steadily continuing. The outlook for the next few years is equally bleak in this employment situation.

Mr. STENNIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Does the Senator from Washington yield to the Senator from Mississippi?

Mr. MAGNUSON. I yield.

Mr. STENNIS. When the Senator uses the expression "maritime jobs," what does he mean?

Mr. MAGNUSON. I mean seamen, personnel and officers.

Mr. STENNIS. What percentage of the appropriation is going to train what the Senator calls "seamen"? Does the Senator know the figure?

Mr. MAGNUSON. I do not have the percentage figure. I should say there are 4,000 to be trained.

Mr. STENNIS. Are seamen distinguished from maritime officers?

Mr. MAGNUSON. The graduates would be officer cadets. There are seamen also.

Mr. STENNIS. When the Senator says there are some 100,000 maritime men looking for jobs, will the Senator be more specific? Will the Senator say how many of those looking for jobs are trained as the graduates of these schools are trained?

Mr. MAGNUSON. There are 120,000 merchant marine officers in the United States. In the active fleet today there are only 14,900 employed.

Mr. STENNIS. Mr. President, will the Senator yield further?

Mr. MAGNUSON. I yield.

Mr. STENNIS. The Senator gives the figure 120,000. Does not that figure represent men who were in the merchant marine service during the war, as a part of the war service, and who now have gone back into civilian life and are employed in civilian life, just as many of those who were in the Army are now employed in civilian life?

Mr. MAGNUSON. Yes. There is a great inactive unemployed pool of qualified merchant marine who were not only seamen but merchant marine officers. As a matter of fact, 120,000 of them have kept their merchant marine and their officers' and seamen's papers alive, who are available to this pool. Many of them have gone back to other jobs, because there are only 14,900 jobs now available in the active fleet.

Mr. STENNIS. Mr. President, will the Senator yield further?

Mr. MAGNUSON. Yes.

Mr. STENNIS. Of the 120,000 how many are actually looking for jobs in the merchant marine?

Mr. MAGNUSON. We did not poll the 120,000. But I suspect of the 120,000 who have kept alive their seamen's papers and who are licensed merchant marine officers, probably well over 14,500 are looking for that type of employment.

Mr. STENNIS. That is merely the Senator's supposition.

Mr. MAGNUSON. I do not have the figures.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. I yield.

Mr. FERGUSON. The Senator says he has not polled these particular 120,000 individuals.

Mr. MAGNUSON. No.

Mr. FERGUSON. I wonder if the Senator knows whether the individuals who would be educated at these two institutions, or three institutions, as the case may be, would want jobs as seamen, and how could they secure jobs?

Mr. MAGNUSON. The jobs are not there for them. That is the answer to that question.

Mr. FERGUSON. So they would join, then, as I understand the Senator, this unemployment roll or pool. Therefore, instead of having 120,000 or whatever the figures were which the Senator gave, there would be in addition also the number of the graduates? Is that correct?

Mr. MAGNUSON. Yes; that is correct.

Mr. FERGUSON. Some of these schools will continue. Is not that true?

Mr. MAGNUSON. Yes; because, of course, there is a need to continue these schools in a small way because we need a younger element, younger people. But I think we are attempting to train and put into a pool more men than we actually need, because here are these men who are available, and are looking for jobs.

Mr. FERGUSON. Mr. President, will the Senator yield further?

Mr. MAGNUSON. Yes.

Mr. FERGUSON. Will not the amount appropriated keep these schools operating so that if the time comes when we need additional men for these services we can increase the enrollment of the schools and go right ahead training men?

Mr. MAGNUSON. My understanding is that this amount would keep the schools alive, and we could expand them.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MAGNUSON. I shall yield in a moment. I want to answer the question of the Senator from Michigan further. In proof of that fact, I have the figures of the graduates of the officers cadet corps also. In 1949, of the class that graduated, I suppose, last year, 19 were serving in the merchant marine. Seven were serving in the Army Transport Service. Seven went into the United States Navy. Two went into the United States Army. Six—and they were trained before—were war casualties. So only 41, or 34 percent of that class, were able to secure Government positions.

Of the class that graduated in 1948, 53, or 44 percent of the class, were able to secure Government positions.

Of the class that graduated in 1947, 55, or 64 percent of the class, were able to secure Government positions.

Of the 121 graduates in the 1941 class, United States Merchant Marine Cadet Corps, 23 of the list are qualified masters—only 23.

Of 100 qualified seamen who graduated in 1947, only 16 served on vessels.

A check of the shipping experience of the last 100 qualified graduates of the United States merchant marine service for the calendar year 1947, made by the United States Coast Guard, shows that 84 men have never shipped with the American merchant marine in the foreign or coastal trades despite the large public expenditure to train them for the industry. Of the 16 who had some shipping service subsequent to their graduation, only 9 remained in the industry in 1949. These seamen were all in the merchant marine prior to joining the school.

A check of 120 graduates of the Merchant Marine Cadet Corps in 1941 shows that only 23 are still serving in the American merchant marine.

Furthermore, Mr. President, the National Maritime Union reports that it has in the hiring halls 42,000 seamen available for 22,000 jobs. Those men are actually looking for jobs. The masters, mates, and pilots, the inland-water group, has 12,891 licensed officers on its rolls; and if they did not want employment in this field they would have their names taken off the rolls. They have 12,891 on the rolls, and approximately 5,000 jobs for 12,891 masters, mates, and pilots.

The marine engineers report that they have 2,000 licensed marine engineers on the beach waiting for jobs. Some of them have been waiting from 3 to 9 months. This is a report for July. Most of the graduates of these cadet schools never get into the maritime industry because of the great surplus of manpower.

The House Appropriations Committee reached the same conclusion and recommended the same figure as that recommended by the Senate Appropriations Committee. It cut the maritime training budget in half. The figure which we are discussing represents the figure upon which both committees agreed.

I do not disagree with the necessity of having an adequate manpower pool of licensed marine officers and seamen, but I respectfully submit that all the reports we have on the maritime situation show that there is an overabundance of available officers and seamen actually walking the streets looking for jobs. It seems to me that we would be doing an injustice to these young men by putting them into such a manpower pool, because they would find they could not get jobs because the work was not available. We would only be adding to the unemployment.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BALDWIN. I ask the Senator if he knows whether or not the appropriation for the Naval Academy has been reduced this year?

Mr. MAGNUSON. I do not know.

Mr. BALDWIN. I understand that it has not. Does the Senator know whether or not the appropriation for the Military Academy has been reduced this year?

Mr. MAGNUSON. I do not know.

Mr. BALDWIN. I understand that it has not been reduced. Does not the Senator believe that under all the circumstances——

Mr. PEPPER. Or the Coast Guard Academy?

Mr. BALDWIN. Yes. Does the Senator know whether or not the appropriation for the Coast Guard Academy has been reduced?

Mr. MAGNUSON. I do not know.

Mr. BALDWIN. I do not know, but perhaps the Senator from Florida does. I ask unanimous consent that I may ask the Senator from Florida if he knows whether or not the appropriation for the United States Coast Guard Academy has been reduced this year?

Mr. PEPPER. I do not know.

Mr. MAGNUSON. I will answer the Senator from Connecticut by saying that those cases are not parallel. The number of men we can train at Annapolis or West Point is wholly inadequate to meet the present need for officers in the Army and Navy.

Mr. BALDWIN. Why?

Mr. MAGNUSON. Because we have to get Reserve officers.

Mr. BALDWIN. Because we need a big Army and a big Navy.

Mr. MAGNUSON. Yes.

Mr. BALDWIN. Mr. President, will the Senator further yield?

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). Does the Senator from Washington yield to the Senator from Connecticut?

Mr. MAGNUSON. I yield.

Mr. BALDWIN. Does not the Senator believe that for that reason we also need to lay our preparations now for a big merchant marine in case of war?

Mr. MAGNUSON. I agree to that statement.

Mr. BALDWIN. Does not the Senator recall that in the last war we had to take some very green men? Does not the Senator also recall that when we were looking for masters and mates of ships to rove the seas in the last war we had to take some very old men who went back to sea again, but who were really not physically qualified to go? They went at a great sacrifice. Does not the Senator agree with me that if we are to maintain the Naval Academy at a high level, the Military Academy at a high level, and the Coast Guard Academy at a high level, then as one of the most important complements to our entire defense system, we must maintain the merchant marine, or at least make preparation to maintain it? Does not the Senator agree with me in that respect?

Mr. MAGNUSON. I do not agree with the Senator at all. I do not believe that the two situations have anything in common. We are not eliminating this training. We are trying to cut the cloth to fit the suit. So far as the Naval Academy is concerned, it cannot supply enough men to meet the personnel demands of the Navy for officers to supply the present needs of the Navy. The Military Academy cannot turn out enough officers to meet the present personnel needs of the Army for officers. The Coast Guard Academy is turning out about as many as are needed. We are not proposing to eliminate this training. This is a case of training a group of young men for an industry which already has available three or four times the number of men needed for the jobs.

I think we would be doing them an injustice. Money would be wasted. I believe that a sufficient number of men can be trained with the $3,151,050 appropriation to meet the need for young men going into this service. To increase the appropriation would be to do a disservice to many licensed men now looking for jobs. In the present situation there are 120,000 merchant marine officers in the country, and only 14,900 jobs available. We should be only adding to the troubles we now have. Among the masters, mates, and pilots, more than 5,000 are registered in hiring halls and looking for jobs. Only 2,000 jobs are available.

This situation is not parallel to the situation as it affects the Military Acad-

emy and the Naval Academy. The service academies cannot graduate enough men. The demand is greater than the supply. That is why we have the Reserve system, under which men can go to college and, after graduation, get commissions in the Army and Navy.

Mr. BALDWIN. Does not the Senator agree with me that the reason we do not have enough facilities to train a sufficient number of officers is that we need a big establishment, and are building up a big establishment, and consequently there is a shortage? If we get into a situation in which it becomes necessary to defend our Nation, we are going to need men in the merchant marine, just as we needed them before. They are going to be just as important as the officers we are providing for the Army, the Navy, and the Marine Corps.

Mr. MAGNUSON. There can be no question about that, of course. But we could multiply our present merchant marine by eight times the present number of American-flag ships, and we would still have plenty of men to man them.

Mr. BALDWIN. Does not the Senator agree that his figure of 120,000 includes a great many men who would not be physically able to meet the requirements?

Mr. MAGNUSON. That may be true.

Mr. BALDWIN. In the event of a war, a great many men would want to go into some other branch of the service.

Mr. MAGNUSON. There can be no question about that. The fact is that after receiving this training, not more than 50 percent have ever gone into the merchant marine.

Mr. BALDWIN. A large number of men graduated each year from the Naval Academy and from the Military Academy do not continue in the service.

Mr. MAGNUSON. The Senator knows that there is a rule that they must remain in the service for at least 2 years. The Senator knows further that over a period of 25 years, say, the over-all percentage of those who leave the service after the Government has spent many thousands of dollars training them is less than 4 percent. In this case, even when jobs were available, never more than 50 percent went into the merchant marine.

I do not believe that the Senator from Connecticut anticipates that our merchant marine is to be increased to any great extent. Our job is to keep it as it is. It will be difficult enough to keep the American merchant marine at the level where it is, without looking for a great increase. It is deteriorating every day. Many things are happening. The Congress must act on the merchant-marine situation in Panama, where only foreign crews are being used. There is great unemployment today in the American merchant marine. It is not the result of the present recession in business. It has been going on for 2 years in the maritime industry. This proposal would merely add to it. It would do a great injustice to a young man who says to himself, "That is what I want to make my career. The Government is going to train me." If he were coming out of the academy today, unless he had some special influence or connection, I doubt whether he could get a job as an officer on an American ship.

Mr. BALDWIN. Would not the Senator agree that such a young man takes no greater chance than any other young man going to school? A man may graduate from MIT and not get a job.

Mr. MAGNUSON. We are not talking about private schools. The Government is paying for this training. Certainly any man takes a chance, even if he pays his own way.

Mr. BALDWIN. Does not the Senator agree with me that there are not so many opportunities for young men as there might be? One of the most useful things we could do would be to employ them by giving them some kind of training, as against a future emergency. Does not the Senator agree to that?

Mr. MAGNUSON. The Senator is asking me to agree to too many things. There are plenty of men available for every demand today in the maritime industry.

Mr. BALDWIN. Today. That is the important word in the Senator's statement.

Mr. MAGNUSON. That has been true ever since the war. This appropriation provides for the training of some, because we need some young men. The Government is going to pay for their training, and when they complete their training they will be seeking jobs. They are not going to be able to find jobs under present conditions. If the Senator has any illusion about the American merchant marine doubling in the next 5 years, he is much more optimistic than I am. I think we are going to have a difficult job keeping on the seas the American-flag ships we have today.

Mr. STENNIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Mississippi?

Mr. MAGNUSON. I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, I looked into this question in the beginning, because one of the schools affected is located in the State of Mississippi. After getting into the subject, I found one of the most interesting and I think, relatively, one of the most important questions that is going to come before the Senate.

The question is whether or not the United States Government is to supervise and superintend directly the teaching and training of the more important marine officers in the American merchant marine. The American Legion magazine has called this training program the fourth basic arm of our military program. I do not believe that anyone would suggest that we curtail the activities of the Military Academy, the Naval Academy, or the Coast Guard Academy.

Most of the opposition to this proposal is inspired by the CIO Maritime Union. The budget recommendation is $6,586,000, the very figure for which we are asking today for this purpose. Later, after presumably looking fully into the question, they changed their minds and recommended the figure now written into the bill.

This same matter was carried to the floor of the House of Representatives, and at that time the House voted to place in the bill the appropriation we are now asking for.

This matter relates to the supplying of key officers for the merchant marine. Either the Government will see to the training of such key officers, or else they will come from the unions or from various other sources. Of course, Mr. President, I am not one to raise the cry of "communism" very readily, but it is true that one of the methods the Communists have adopted, as I understand, is to endeavor to obtain control of the shipping industry throughout the world.

Mr. President, this matter relates to a full 4-year course of training, not a 6-months period of training for seamen, for instance. Most of the money now in question will go to those who will enroll in the full 4-year course. Before doing so, they must be high-school graduates, and then they have to pass an entrance examination almost equal to the one required for entrance to the Naval Academy. The trainees are screened by Naval Intelligence, and during the training they are instructed by men who have to be the equal of college faculty members. That is why so much money is required. This course leads directly to a Bachelor of Science degree. The young men who are trained to become eligible to be the higher officers in the merchant marine are paid $65 a month during their course of training. At Annapolis and at West Point the young men who are trained are paid $78 a month. At the Coast Guard Academy the pay is $78 a month. The Government pays $50 a month to the young men enrolled in the Naval ROTC courses at colleges throughout the Nation.

Let me point out that we have an itemized statement in regard to how the money will be spent. The merchant marine cadets do not make any profit from this money. With the money that is paid them, they must provide their own uniforms, their text books, certain fees, their laundry, and other expenses. After all, $65 a month is a very small compensation under such circumstances.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. MAGNUSON. Of course the committee amendment, if adopted, will not change the purposes for which the money will be used, but it simply will reduce the number of young men who will be able to engage in that training.

Mr. STENNIS. The primary purpose of the money requested is to pay $65 a month to the trainees, and also to pay the officers or faculty members who will instruct them.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. PEPPER. I thought the Senator from Washington suggested that some of the trainees would still receive trainee pay. However, I am sure the Senator from Mississippi means that the effect of the committee amendment, if adopted, will be that no trainee, whether in the first year at St. Petersburg, or in subsequent years of training at Pass Christian, in the Senator's State, or in training at Kings Point, or whether he is taking up-

grading courses, or any other courses, will receive any trainee pay. I understand that the effect of the commlttee amendment, if adopted, will be that no officer or private, as it were, engaged in such training will receive any trainee pay. So it is not a question of cutting down the payments to be made to some of the trainees; but the amendment, if adopted, will cut out the entire payment for all.

Mr. STENNIS. Yes; under the amendment there would not be any payment of $65 a month to the trainees.

Mr. PEPPER. Yes; and, similarly, there would be no pay to the officers in charge of the training.

Mr. STENNIS. Yes.

Mr. President, as compared to the training given to stewards and seamen, who train for only 6 months, the training we are now discussing is far different and far superior. There is no comparison between such 6-month periods of training and the training given the men we are now discussing, who are trained to be officers. The rest of the money will go to their instructors—their professors, as it were. Of course, highly trained men are required, in order to be competent to serve as the faculty to instruct the classes of trainees who, upon graduation, will obtain a bachelor of science degree. Those who instruct such trainees have to perform the equivalent of a college instruction job.

Reference has been made to 120,000 men in the maritime industry without employment. However, I think such a reference is properly comparable to statements that at one time there were great numbers of men in the Army, but they are not now in the Army, and that therefore the Army has a great backlog of available trained men, and does not need to engage in any further training. Of course, very few of the men who have been in the Army are now looking for jobs in the Army.

My opinion is that we must maintain a continuous course of training, in order to have trained personnel available and to have them fed into the ships, to man the ships. I think that is particularly true in the case of the officers who occupy the key positions. We now have the academies for training such men. Those academies are maintained along the lines of the Naval Academy at Annapolis and the Military Academy at West Point and the Coast Guard Academy at New London.

Certainly, Mr. President, if we do not supervise the training of these men, these positions will be occupied by men coming from other sources, and many of them will be subject to certain isms.

I think $3,000,000 is of very small consequence in this connection, as compared to what we are spending for the Army, the Navy, and the Coast Guard in the entire defense program, about which we speak in terms of billions of dollars. Yet in this case we are urged by some to neglect what the American Legion has called the fourth basic arm of our entire military program.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. BALDWIN. It is quite apparent that the Senator from Mississippi has made a thorough investigation of this matter. Will he say that if the pay in question is taken away from the cadets, the result will be to completely decimate the program for the training of maritime service officers?

Mr. STENNIS. Yes; I entirely agree that that will be the result. These young men have to have some money with which to maintain themselves during the 4 years of hard, rigorous training.

Of course, the purpose of the 4-year course is to train these young men to be highly skilled, highly trained officers, technical engineers, and so forth. If the young men who are asked to engage in that training are told they will not be paid, we can anticipate the type of young men who will respond to such an invitation. On such terms, the course of training simply will not attract the type of men who, because of the country's needs, and in the interest of the country's welfare, should receive the training. Under such circumstances, the course of training will not attract the type of young men we would like to attract when they leave high school and are ready to go out into life.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. MAGNUSON. I am sure the Senator does not mean to say that many of the men already available—for instance, the masters, mates, and pilots, whom the trainees would necessarily have to supplant—are believers in various of the isms to which the Senator has referred.

Mr. STENNIS. Oh, no. But I say there is a determined effort on the part of the Communists to obtain control of shipping everywhere in the world.

Mr. MAGNUSON. Of course, this matter has no connection with that, in my opinion.

It seems to me we should realize that the cost of training men in the Army and the Navy far exceeds the cost of training these men. However, the merchant marine cadets are to be trained in order to be available for a service for which there is a great oversupply of personnel. I wish the Senator from Mississippi had exact information as to the number of unemployed persons now available for service in the maritime industry, persons who are trained for such jobs, but for whom no jobs are available. Another thing, there is no requirement that the young men we are training at Government expense shall go on and work for the Government. In the Military Establishment less than 4 percent of the men trained have left, as I recall the figures, over the 25-year period. Only half of the graduates of the merchant marine academies, even when jobs were available, went into the merchant marine.

Mr. STENNIS. Mr. President, one point further. The Senator from Washington says we have so many unemployed. I challenge the statement there are so many unemployed of the type who would take advantage of this college training and to whom we would pay $65 a month while training for important positions in future years.

Mr. MAGNUSON. But they are all American citizens who are looking for jobs. We have a report that in the past 6 months, in the over-all maritime picture, which includes seamen and even cadets, 48,000 have been put out of work because of the lay-up of the ships in the past 7½ months.

Mr. STENNIS. I ask the Senator who gave him that record?

Mr. MAGNUSON. We get the reports from all the hiring halls from which all the crews are recruited.

Mr. STENNIS. That is the maritime union, is it not?

Mr. MAGNUSON. Some of the merchant marine unions—masters, mates and pilots, engineers, and so on; some CIO, several AFL, and some independent.

Mr. STENNIS. How many of the 48,000 are qualified to do the work for which the cadets we are paying $65 a month are trained?

Mr. MAGNUSON. They all have masters', mates', and pilots' licenses.

Mr. STENNIS. How many of them have the degree or the equivalent of the degree that is given by the merchant marine schools?

Mr. MAGNUSON. I do not know how many have that. Some of them came up the hard way.

Mr. STENNIS. That is all right, that is a good way to come up. But does the Senator know how many of the 48,000 are trained?

Mr. MAGNUSON. Some of them came up the hard way, and the Government did not pay for their education. But they are qualified masters, mates, and pilots, men who are qualified in many ways, and there are more of them than the industry can take. That is my point. I do not object to training. If we needed all these men in the industry I should be in favor of doubling the appropriation. But the hard facts are that we have all kinds of qualified men. In the officers' class at least, even if we cut in half the number of men, 120,000, who have gone some place else, we have 3 or 4 qualified men for each job that is available. Some of them are just as well qualified as the men who come out of the academies.

Mr. STENNIS. I am sure they are.

Mr. MAGNUSON. Some of them have learned by experience. Some of them have become American citizens. They have come principally from the Nordic countries, and they are men who are instinctively good seamen—masters, mates, and pilots. They take to the sea like ducks take to water. There is not a future for the trainees in the United States merchant marine. In view of all the unemployment, the spending of money to train young men who cannot find employment in the merchant marine is not justified.

Mr. STENNIS. I come back to my original point. I base this plea on the ground that the American Government can well direct and supervise the teaching of the men, and had better do so, in order to be sure at all times of a sufficient number of men to fill the key places in the maritime service.

There is one further point I want to call to the attention of the Senate. The first year of the 4-year course is conducted in what may be called more or

less preliminary schools. The second year they spend at sea, and this is virtually without cost to the Federal Government. The shipping interests themselves pay all that expense. The third and fourth years are then spent in the finishing schools leading to a B. S. degree. The graduates are commissioned. I think it is well to note that this is not merely a wartime program. It was established in 1948.

Mr. PEPPER. Mr. President, although it may not have been the intention of the author of the amendment, I am advised no later than this noon by Admiral Knight of the Maritime Commission, who is the officer in charge, that the effect of the committee amendment would be to destroy the maritime training program. I believe no one who appreciates the value of the maritime service to the defense of the country wants to accomplish that purpose.

Why do I say that, Mr. President? Simply because the cut from $6,586,000 for this item, allowed by the House of Representatives, to $3,151,050, would require the closing of the unlicensed personnel training school at St. Petersburg, Fla., and the closing of the school where cadets get their first year of training at Pass Christian, Miss. It would require reducing to one-half the personnel of the Kings Point Training School at Kings Point, where the cadets are given the last 3 years of their 4-year cadet training. Furthermore, Mr. President, taking the trainee pay away from the unlicensed personnel in the St. Petersburg training school and away from the cadets in the cadet schools would simply mean in all probability that there would not be any students in either one of those schools to take training. I am advised by Admiral Knight that if some hardy cadets did stay at Kings Point taking cadet training, there would not be enough administrative and instructor personnel to make the training worth while in order to train those who might happen to remain there.

So, Mr. President, it will be seen that the actual effect of the amendment is to destroy the training program of the maritime service and to stop completely the flow of available skilled officers and unlicensed personnel to run the merchant marine of the United States of America.

But, Mr. President, it would go further than that. The able Senator from Mississippi was absolutely right that the impulse for cutting out this training comes from the CIO union. There are few Senators in this body who have been more loyal to the cause of labor than the senior Senator from Florida, and I have no apology to make for it to anybody. I voted for them because I thought they were right. But as I have told them, I say to my colleagues, Mr. President, they are wrong, they are short-sighted if not selfish in trying to destroy this salutary program which means so much to the defense of the United States of America. I said their diligence has been a sort of boomerang that has come back to them.

There is another aspect to this program in which they are interested. In fact, they want all the programs to assume the same character; they do not want them to do anything except to upgrade seamen; in other words, their own members. That is being done at two other places, at Sheepshead Bay, N. Y., and at Alameda, Calif. The trainees who are being upgraded at Sheepshead and at Alameda, Calif., also get, if they are enlisted men, $65 a month; officers, $125 a month. But this amendment cuts that out, too. It means that those men while they are off their ships, not getting any remuneration, not being employed, are not going to get a dime for subsistence while they are taking the 6-month course in order to enable them to be upgraded, and to become better officers and better unlicensed seamen.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. SALTONSTALL. The Senator is speaking about upgrading. The Senator, I know, realizes that there are 3,300 men already in the maritime industry who are in these schools, where the Government is helping them to be upgraded.

Mr. PEPPER. Exactly—as distinguished from an annual output of 390 officers and 600 trainees of unlicensed character in the whole cadet and unlicensed seamen training program.

Mr. President, to recapitulate, the language of the committee amendment on page 54, line 20, is: "(exclusive of pay of cadet midshipmen and other trainees)."

There would not be a dime to pay a trainee at St. Petersburg, Fla., where the station is designed to train the unlicensed personnel that go into the engine rooms and onto the decks and into the steward's department. There would not be a dime left to pay a trainee at Pass Christian, Miss., where they get the first year's training as cadets. There would not be a dime for training at Kings Point, where they get the last 3 years of their cadet training. There would not be a dime for Sheepshead, where they upgrade seamen who are already there, as well as officers; nor a dime at Alameda, Calif., to pay the subsistence of the officers and the seamen who are being upgraded there.

Mr. President, the conclusion is that to take away that trainee pay, in the first place, will stop trainees from attending the schools. Most of them do not have the money. Without any subsistence while they are taking the training, they would prefer to go along as they are, with less efficiency, than to try to subsist without any trainee pay while in school.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BALDWIN. Would the Senator agree with me that if we were to stop this trainee pay for a year, as this bill would do, as to both the cadet training and the upgrading training, the organization and the personnel having the training in charge would be completely dissipated?

Mr. PEPPER. That is correct.

Mr. BALDWIN. If we stop it this one year, and then desire to renew it for some other year, it would be at least a year, or possibly another year after that, before we got the whole matter rolling again. So, if it is stopped this year, would not the Senator agree with me that we would be stopping it for at least 2 or possibly 3 years?

Mr. PEPPER. Mr. President, there can be no doubt about that. If it is once stopped, I am confident that it will never be started again until a national emergency comes upon us; and then we would rush in and try to reestablish it, with all the inefficiency, expense, and loss to the United States such a program would entail.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MAGNUSON. I do not disagree with the Senator. If I thought this amendment would stop it, I would be in entire agreement with him. But I wonder if the Senator does not think, in view of the unemployment situation and the deterioration of the merchant marine, some of which is necessary, that we should cut the cloth to fit the suit?

Mr. PEPPER. That is not what is being done here. The amendment would reduce the number of administrative personnel, by 452 out of 1,004. Let me tell Senators about the present situation. There were only 1,104 in the total administrative personnel. That was cut 100. That left 1,004 in the whole administrative program.

Mr. MAGNUSON. To train how many men?

Mr. PEPPER. There are 600 a year coming out of the school at St. Petersburg. They have just half as many instructors per man as they have in the Coast Guard Academy. At Annapolis and in the Coast Guard Academy there is one instructor for each trainee, whereas, in the maritime-training program there is one instructor for every two trainees. I received those figures only a few hours ago from Admiral Knight. So the schools carry twice as great a load as that which is carried by comparable institutions.

Mr. MAGNUSON. Mr. President, will the Senator yield further?

Mr. PEPPER. I yield.

Mr. MAGNUSON. The Senator mentioned the fact that in part of the opposition was inspired by the CIO. Of course the CIO maritime unions are vitally interested. I should like to have the record straight, so far as the Senator's statement is concerned. I have heard from all types of persons employed in the maritime industry. I am sure the Senator appreciates that in my section of the country there is no CIO maritime industry. The persons affected are the Masters, Mates, and Pilots Organization, of the AFL. On the Pacific Coast the seamen's organization is an AFL union.

Here is a man who has made his living and supported his family by going to sea. He may be an officer, a warrant officer, or an ordinary unlicensed seaman. He has found in the past few years that there are not sufficient jobs

available. He says, "The Government is using my money to train more men than are needed, more than can be used in the industry." Whether he belongs to a union or not, he has a legitimate question to ask.

In the second place, he says, "It is not comparable to the academies, because there is need for officers in the armed services." I think he has a right to question it. He did not get paid to go to a school. He says, "If the Government is paying money to train men, they will come to an industry in which I have a most difficult time finding a job." If he belongs to the CIO, the A. F. of L., or any other union, he has a right to ask that question.

Mr. PEPPER. The Senator is completely correct; he does have that right. I meant that the only persons who had contacted me were representatives of unions speaking for their members. Of course an individual out of employment would see the matter from a relative point of view. He would be thinking about himself. But I doubt that the Senate has any right to limit its vision to an individual, when we are dealing with an essential adjunct to the security of the United States and when we are talking about a part of the national defense. Many times in the course of this Nation's history there have been more Army and Navy officers than were needed for active duty. But did we close down West Point and Annapolis? If the merchant marine is an essential part of the National Military Establishment, as it were, then, Mr. President, is it not an analogous principle to argue that we should not close down the institutions in which we train members of the merchant marine, including officers?

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. SALTONSTALL. Did the Senator bring out the fact that we are getting a "double shot"—that is, by training men for service in the merchant marine, we also train them for Reserve officers in the Navy?

Mr. PEPPER. I thank the Senator for emphasizing that point. They are naval reservists.

Obviously there will be some ebb and flow in the number of unemployed at certain times, and there may be times when practically all the men and officers will be on active duty, but are we going to close the institutions in which we train competent men to carry on this program? It is not a wartime program. It was authorized in 1936, if I recall correctly, and was implemented in 1938. The schools were distributed over the country. The program was formulated; staffs were recruited and trained. They are going institutions. I have had a better opportunity to observe what is being done at St. Petersburg, Fla., than I have in other States. The men are taught discipline, personal cleanliness, and a sense of responsibility, together with some regularity and responsibility of habit and conduct. They are also placed on the *American Mariner*, a merchant vessel, where they are taught actual seamanship. They go on cruises in Caribbean waters and up the Atlantic coast. They are taught the duties of seamen by experience as well as by instruction. Men come from all over the country to file applications because they want to enter the maritime service. The men are generally of a high-class type of character. We hear of very little trouble among them. They have impressed themselves upon the citizens as being somewhat analagous to members of the armed services.

They wear a uniform, just as officers do. They receive 6 months' training. I am told by the maritime service that 80 percent of the men go readily into jobs because they have been trained.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MAGNUSON. The figures which I have received are exactly the opposite.

Mr. PEPPER. I have consulted Admiral Knight, who is in charge of the program. He gave me the figures today. I think he knows what he is talking about. I do not think he would misrepresent the facts. The men go into the Army Transport Service, into the oil trade, and into other places where responsible types of men are wanted. The Senator will not find a large percentage of these men on the beach, as they say, because they have skill and training and the confidence which they are anxious to obtain. Of course that is all the more true of the cadet officers.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield to the Senator from Washington.

Mr. MAGNUSON. I have a letter dated July 25 from Admiral Knight, and here are the figures he gave me. He says that 41, or 34 percent, of the class of 1949 are employed, 53, or 44 percent, of the class of 1948, and 55, or 46 percent, of the class of 1947. These are the figures from Admiral Knight himself. I do not know whom he is fooling.

Mr. PEPPER. Nor do I, but I asked him the question, and he said 80 percent of the men were at this moment employed.

Mr. MAGNUSON. I ask unanimous consent that Admiral Knight's letter may be printed in the RECORD at this point.

Mr. PEPPER. The Senator is very welcome to have that done.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BUREAU OF MARITIME SERVICES,
UNITED STATES MARITIME COMMISSION,
Washington, D. C., July 25, 1949.

Mr. EDW. STERN,
Office of Senator Warren G. Magnuson,
Senate Office Building,
Washington, D. C.

DEAR MR. STERN: In accordance with our telephone conversation Friday, we are sending you a copy of the original list of 100 qualified seamen graduates for the calendar year 1947, showing under each name the record of service that we have developed.

Those that have no record shown are men who were graduated and returned to their homes upon graduation. In many cases it was understood that they expected to accept employment on the Great Lakes. Undoubtedly all of them did not do this, but some of them certainly did. There are no records available to us from which we can establish the actual number that did accept employment on the Lakes.

Sincerely yours,

TELFAIR KNIGHT,
Chief, Bureau of Maritime Services.

1941 graduates, U. S. Merchant Marine Cadet Corps

RECORD OF GRADUATES IN YEARS 1947, 1948, AND 1949

1949:	
Serving in merchant marine	19
Serving in Army transport service	7
U. S. Navy (approximately 8 years' service)	7
U. S. Army (approximately 7 and 3 years' service)	2
War casualties	6
Total or 34 percent of class	41
1948:	
Serving in merchant marine	81
Serving in Army transport service	7
U. S. Navy (approximately 7 years' service)	7
U. S. Army (approximately 6 and 2 years' service)	2
War casualties	6
Total or 44 percent of class	53
1947:	
Serving in merchant marine	33
Serving in Army transport service	7
U. S. Navy (approximately 6 years' service)	7
U. S. Army (approximately 5 years' and 1 year's service)	2
War casualties	6
Total or 46 percent of class	55

Records cover only those serving in American offshore vessels which do not include coastwise, domestic, and Great Lakes vessels. The men included in the armed services served actively in the merchant marine prior to being commissioned in the Navy or the Army.

Mr. PEPPER. Mr. President, what about fairness to the men taking this training? They have been coming into these schools rather by invitation, even into the unlicensed schools, because this service has been seeking them. What about the boys who went there 12 months ago, to take a 6 months' training course, all of a sudden to be advised they will not receive their remuneration? That means, of course, that, in a fashion, at least, a contract of the Government has been broken with those men. It is all the more explicit in the case of the cadet personnel. How are those men selected? Every one of them is chosen by competitive examination. A quota is given to every State. I believe that according to population the number of places available for cadets is allocated to the 48 States.

Then in every State there is a competitive examination, and only on the basis of that competitive examination are the cadets chosen. It is a 4-year course for which they are taking the examination. They go into the school expecting to be able to complete the 4-year course, just as much as a man goes to Annapolis or to West Point or to the Coast Guard Academy at New London, Conn., for a given period.

Mr. President, having admitted those boys into that program, with that understanding, can the Congress rightly cut off their compensation, and leave them stranded in the schools, expected to make their own way, or, otherwise, to go home? Is that keeping faith with these men? I believe it is $75 a month the men get in the defense academies. Would Congress feel free, in the military service appropriation bill, to cut off the compensation those men get? They have enrolled in the maritime training academies just as the cadets have enrolled in the academies at New London, Annapolis, and West Point.

Mr. President, let me present the case of another class. I have here a letter dated July 14 of this year. It is a copy of a letter sent to the Senator from Wyoming [Mr. O'MAHONEY] by the State Department. It reads:

JULY 14, 1949.

The Honorable JOSEPH C. O'MAHONEY,
Chairman, Subcommittee on Independent Offices, Senate Committee on Appropriations, United States Senate.

MY DEAR SENATOR O'MAHONEY: Under the authority of Public Law 701, Seventy-ninth Congress, there are at the present time 12 nationals of certain other American republics engaged in a course of study at the Merchant Marine Academy at Kings Point, N. Y.; and under authority of Public Law 370, Seventy-ninth Congress, 69 Philippine nationals are also undergoing a course of training at the same institution. These foreign nationals accepted the appointment to the Academy on the understanding that, among other things, they would receive a monthly cash allowance of $65 to provide for such items as uniforms, books, equipment, and incidental expenses. In the case of the Latin-American program provided under Public Law 701, the students are designated by the President of the United States on the basis of formal diplomatic negotiations with the countries concerned; and in the case of the Philippine program the designations are made by the President of the Philippine Republic.

I am now informed that the Senate Appropriations Committee has eliminated from the budget of the United States Maritime Commission all provision for the payment of such monthly allowances to cadet-midshipmen attending the Academy, including, of course, the foreign nationals herein referred to.

It is realized that no agency of the Government can make commitments which involve the expenditure of funds beyond the fiscal year for which appropriations are available but in this instance nationals of other governments have proceeded to the United States under officially sponsored and authorized programs and their governments will find it difficult to understand the proposed change in the financial arrangements. I believe that if the monthly allowance is withdrawn from these foreign students, it may be necessary for them to terminate their studies and return to their respective countries, with a resulting loss of prestige for the United States and impairment of our relations with those countries.

It is my understanding that Senate debate on this matter is imminent and the Department would appreciate any action on your part which you might consider appropriate in the light of the circumstances referred to hereinabove, particularly with respect to those nationals who have already begun their courses of study.

Sincerely yours,

ERNEST A. GROSS,
Assistant Secretary
(For the Secretary of State).

It will be noted from the letter, Mr. President, that there are 12 from the American Republics and 69 from the Philippines.

Mr. President, I have here a copy of a letter which was sent to the able senior Senator from Texas [Mr. CONNALLY], the chairman of the Committee on Foreign Relations, on the same date, which I read:

MY DEAR SENATOR CONNALLY: There is enclosed a copy of a letter which has been addressed to Senator O'MAHONEY in his capacity as chairman of the Subcommittee on Appropriations which heard testimony on the independent offices appropriation bill of 1950.

If, in the circumstances set forth, you might feel justified in supporting the Department's position, I shall very much appreciate your taking any action that you may consider appropriate.

Sincerely yours,

ERNEST A. GROSS,
Assistant Secretary
(For the Secretary of State).

Mr. President, does the Congress feel that we can with propriety breach, as it were, certainly an implied commitment to these American Republic students, who are appointed by the President of the United States, and come here to take the training we invited them to take, and an implied commitment to these students from the Philippines appointed by the President of the Philippine Republic, who come here under a public law and beginning their courses? Are we free now to withdraw the subsistence pay which they were led to believe they would receive, a part of which they have already received upon their coming here?

The same thing, in principle, applies to our domestic cadets. These boys see a notice in the newspaper, a notice on the bulletin boards at the Federal building, "Make yourself a cadet. Train for the maritime service. Aid the national defense. Competitive examination," and the like. Under the accepted rules and standards, they take the competitive examination. At least one of the boys wins. The one who wins is chosen by the officials having to do with that subject, as a cadet, to go to Kings Point, N. Y., or Pass Christian, Miss. He enters upon his training, and we in the Congress take away the subsistence pay which makes it possible for him to subsist while he is there. The school furnishes the instruction and certain compensation, but it is not sufficient to provide for the cadet's upkeep. I doubt if it would be quite right for the Congress to interrupt this program, at least after those who are there enter. The same thing applies on a lesser scale to the boys who come to the St. Petersburg unlicensed school to take a 6 months' course. They may have given up some other job, have chosen the sea for their career, and they come and stay 1 or 2 months and are notified they will no longer receive any subsistence pay.

Mr. President, I put the matter upon a larger basis than that. I say we are mistakenly impairing an essential arm of the national security. Look what we have already done to this program. In 1947 there were 2,200 in the administative personnel, and we cut it. In 1948 the administrative and all the other supervisory personnel, including the maintenance personnel, was cut down to 1,225, nearly a 50 percent cut. In 1949 we cut it again to 1,104. They have already voluntarily cut it to 1,004, whereas it was 2,200 in 1947. It has been cut to 1,004. In other words, if the $6,586,000 item which the House inserted were retained, it would still represent a 15 percent cut under the 1948 appropriation. Is not that enough? Is not that a fair share of the savings? If we do not intend to abolish the program is not a 15 percent cut in last year's appropriation a reasonable cut in the training program? That reduction will be made, even if they get the whole amount the Senator from Massachusetts is asking, and what the House officially provided.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. If the committee amount should prevail, the school will be forced to cut about 452 employees, or the number of employees will be cut absolutely in half, and the school will not be able to continue in operation.

Mr. PEPPER. Exactly. Admiral Knight told us this morning that they would have to let out immediately 452 of their 1,000 employees. That means, he told us, that they will have to close the schools at St. Petersburg and at Pass Christian. Their personnel would be cut down to the point where they would have to close. The cadets at Pass Christian would be moved to Kings Point. What would happen at Kings Point? There are 475 employees at King Point, including instructors. Voluntarily they have cut the number to 425. The bill would cut the number down to 237.

Moreover, Kings Point would have to take on all the cadets who are now at Pass Christian. Admiral Knight said, "We simply cannot operate under such circumstances."

Even now, Mr. President, the merchant marine academies have one instructor for every two trainees, whereas the Navy and the Coast Guard have one instructor for 1 trainee. So already it seems to me that there has been too small a number of employees in the merchant marine schools.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. FERGUSON. Is the Senator correct in his figures? He spoke of the Navy and the Coast Guard having one instructor for each trainee.

Mr. PEPPER. I should not have said one instructor for each trainee. What I refer to is the total personnel of the school, including administrative force, instructor personnel, managerial and supervisory personnel and others.

Mr. FERGUSON. If there were one instructor for each trainee, there would be only one trainee in an instructor's class.

Mr. PEPPER. The personnel at the school includes, of course, cooks and waiters, fire wardens, janitors, and all other employees.

I offer that as a standard of comparison to show that the merchant marine schools are not overstaffed in the administrative personnel employed.

I have already sought to recapitulate.

The trainee pay of $65 a month for the first year for the unlicensed seamen at St. Petersburg would be cut. The same statement applies to the trainees at Kings Point, N. Y.

Furthermore, let Senators remember it is also proposed to cut out completely the trainee pay of the seamen who are being upgraded in the training schools at Sheepshead and at Alameda, Calif.

Something else would be done which I was about to omit to mention. Four States conduct State school training programs—California, New York, Maine and Massachusetts. Altogether, I am told, 710 are trained in those four State schools. But because of the contribution the States make, Admiral Knight tells me that they also are to be cut out of the $65 a month.

If the school at St. Petersburg is cut out, if the personnel at Pass Christian is reduced from 425 to 237 administrative, supervisory, and instructor personnel, it will mean an added burden on the school at Kings Point because of the increase in the number of cadets who will have to be trained at Kings Point. Why might we not as well destroy the program outright as to emasculate it by taking away so much support from it?

Much is said about unemployment. As I said a little while ago, the purpose of the training is to continue to prepare young men to become unlicensed seamen and officer personnel, for the Maritime Service, to bring a more competent personnel into that important function in our national defense.

Mr. President, we have 2,000 ships in mothballs. Who knows when those ships will have to be put into active service? A Senator has said, "Yes, but there are many men unemployed and looking for jobs in this service." How many reserve officers have we? If that is a valid argument, why not use the personnel we had in the war to lead the armed forces, and shut down West Point and Annapolis and the Coast Guard Academies for a while until the surplus of available men has been used up?

Mr. President, I believe every Senator has had the same experience I have had. Young men are pleading with us to help them get into the Regular Army. There is a great surplus of men wanting to get back into the Air Force, the Navy, the Army. There are simply hundreds of thousands of fine officers who made splendid careers in the war, who want to get into the Regular Army. Are we cutting out the appropriation for West Point, for Annapolis, and for New London, simply because these men want to get back into active service? West Point, Annapolis, and New London have something the services need. I say, Mr. President, the same thing is true of the maritime training program.

It required a long time for us to recognize the importance of our merchant marine. Whenever we once build it up we are almost as certain in a little while thereafter to let it deteriorate into a dangerous weakness. That always seems to be the tendency between wars. We got into the war. We realized in World War I that we did not have enough ships. We had to rely on the British to transport men and material. We came out of World War I with a determination that never again would we allow the merchant marine to deteriorate to the point of danger. And so in 1936 we passed an act to encourage and to develop the merchant marine. An essential part of that service was not simply inanimate ships, but also the men to man those ships. Of course, the better they are trained, the better the men are, the more effective are the ships.

If we should ever have another war American ships will have to carry the material and men necessary to win the war. The men of the merchant marine are needed to operate the ships. In view of the creditable service, in view of the record of achievement of the maritime training program I cannot believe the Senate will destroy the provision made for the continuation of that service by our sister body, the House of Representatives, and thus impair the national defense.

Mr. IVES. Mr. President, the hour is late, and I shall be very brief in the statement I have to make. As a matter of fact, the very eloquent remarks of the able Senator from Florida [Mr. PEPPER], the able Senator from Mississippi [Mr. STENNIS], and the able Senator from Massachusetts [Mr. SALTONSTALL], who preceded me, have covered the situation very thoroughly. However, there is one thing which seems to stand out in this connection, which I do not think has been emphasized to any great extent in the debate thus far.

Quite obviously, as has been pointed out, the effect of the proposed cut would be to destroy virtually all maritime training as we have had it in this country. Mr. President, if that is what we want to do, it seems to me that this is a very bad way by which to do it.

The effect of the elimination of the $65 allowance alone in itself is utterly discriminatory. It means very definitely that the young man who does not have as much as the next young man cannot secure this training. In fact, if he is in the institution already he may have to leave. I understand that at Kings Point between 50 and 60 percent of the trainees would have to leave if the proposed cut were to be made.

Further than that, I should like to know what quality training the remainder would receive if the staff were to be cut in half at Kings Point.

If we are going to make such a cut, let us make it on the level. Let us know what we are doing. If in our wisdom in the two Houses of the Congress we decide that we want to eliminate maritime training in our country, if we want to drop this great service at a time when we are trying to build up a preparedness program, at a time when we are talking about establishing in this country a new academy to train for the Air Service—if that is what we want to do, let us have a clear program definitely before us that will do it, so that we shall know we are doing it, and will not be doing it in the manner now proposed.

Mr. HOLLAND. Mr. President, I dislike to take further time of the Senate with this matter, but there are two or three observations which I should like to make, which I think might add to the facts which will be in the record of this matter which will go to conference, at any rate, regardless of the attitude of the Senate as expressed here. I hope the Senate will take the action which is suggested in the amendments offered by the senior Senator from Massachusetts [Mr. SALTONSTALL], which amendments will not only restore the budget amount, but which will correctly distribute that budget amount in a way in which it was not correctly distributed in the amendment which was voted on the floor of the House. The fact of the matter is that the House committee cut the whole program, and that in its effort to undo that injury the House voted back, on the floor, the entire budget amount, but voted it in a block sum which does not correctly represent the needs of the program. So regardless of what action is taken here, this question will go to conference. I hope it will go to conference with the approval by the Senate of the amendment suggested by the Senator from Massachusetts [Mr. SALTONSTALL], not only would restore the correct amount, but which for the first time, so far as this legislation goes, would correctly distribute that amount among the three objectives, that is, the payment of monthly expenses to the students, the allowance for instruction and other personnel, and the allowance for an appropriate health program, which must come into this picture in a separate part of the budget.

I happen to know, and have known for many years, the distinguished officer who commands the maritime training program, and who is charged with the direction of it. Admiral Telfair Knight came originally from Jacksonville, in the State of Florida, but for many years he has been serving our Nation in the maritime service. I went to him with two particular questions which had been disturbing me, and which may have disturbed other Members of the Senate. The first was this: "Admiral, have you realistically faced the fact that we are through with the war? Although we continue this program as a matter of necessity, because it is of vital importance to our Nation to remain prepared, have you cut down the program in accordance with the fact that we are not now still in the war?"

He said, "I will be glad to give you the facts." He has given them in this paragraph, which I wish to place in the RECORD. I quote Admiral Knight:

"The maritime-training program is one which has been consistently curtailed since the war, and its operating personnel has been steadily reduced. In 1947 the staff consisted of 2,200 persons." (That was after the war, and it was less than it had been at the height of the war.) "In 1948 this was sharply reduced to 1,225. In 1949 the number was cut to 1,104, and the number has now been reduced, as of June 30, 1949, to 1,004."

The number has been reduced to 1,004, as against 2,200 as recently as 1947. I

wish I could say that the rest of the programs of the Nation had been reduced as realistically as has this particular very important program.

The next question I addressed to Admiral Knight was this: "For my information—and I hope for the information of the Senate—indicate why it is necessary to have 1,004 men in a program which trains at any stated time only 2,650 men and officers."

It has that many going to school at any one time. Why is it necessary to have 1,004 instruction personnel to handle the instruction of 2,650 students? These are the facts which Admiral Knight gave me in that connection:

He stated that the 1,004 included not only the instruction personnel, but all the other personnel who are necessarily assigned for maintenance, for the operation of training ships, for security, for commissary and fiscal duties, and for housekeeping purposes. I asked Admiral Knight to tell me the proportion of the 1,004 represented in the various activities, and he gave me these figures:

For maintenance, security, commissary, and fiscal, approximately 60 percent. That is about 600 out of a personnel of 1,004. I think it unnecessary to call the attention of the Senate to the fact that a large number of men would be required not only to man training ships, but to police the quarters, operate the commissary, and do all the other things which are necessary in keeping the records, and so forth, of an organization of this kind. It seems to me that they have been quite careful in budgeting only 600 men to do all the work which comes within those categories in connection with this important program, which, incidentally, is being carried on at six different institutions.

The second point he makes is that approximately 30 percent are assigned to straight instruction, or about 300 out of 1,004. I think that is not a disproportionate number, particularly when we consider the figures for the Military and Naval Academies, where one man for each student is assigned covering all these categories. Certainly 30 percent for instruction, or 300 men for the instruction of 2,650 students, is less than the number which would be found at the other service institutions. There is no question about it. Moreover, those institutions are consolidated. Each is at one location, whereas this activity is carried on at six different places.

The third grouping, of 10 percent, is assigned for administrative and instruction work. They have some administrative duties and some instructional duties.

Admiral Knight called my attention to something which I had not previously heard, and which I pass on to the Senate at this time. In addition to the institutions which are operated in connection with this important work, there are correspondence courses for the benefit of officers and men who are serving aboard ship. Thirty-five men are assigned to that particular branch of instruction. I do not believe that any of us would feel that 35 was an excessive number of personnel to be assigned, out of 300, to carry on correspondence-school activities for the thousands of officers and men who are in the personnel of the merchant marine of the United States.

Admiral Knight also mentioned that there were other small blocks of personnel included within the 1,004, which, probably, Members of the Senate may have overlooked. Ten are assigned in the enrolling offices, where young men who may be particularly interested in such a career enroll for training.

Nine are assigned to the medical program, and two to the specialists' school operated at New Orleans, leaving only 78 at headquarters in Washington. By the way, the number of 78 represents a reduction of 7, beginning with last July 1.

I do not believe that any case is made here for an extravagant operation. On the contrary, it seems to me that it is a realistic and economical one, in which the effort has been made to cut the cloth to fit the pattern. I do not feel that under any circumstances are we justified in jumping at the conclusion, as some would have us do, that this is an extravagant operation.

So far as both Senators from Florida are concerned—and I am sure my senior colleague will support me in this statement—much as we would like to have continued in operation the institution at St. Petersburg, because it is interesting and valuable to the community, we would not want it continued if in the collective judgment of Members of Congress it were not an important adjunct to the training facilities of our Nation, contributing to the rendition of an important and necessary service to our Nation. I am sure that every Senator, regardless of whether his own State happens to be affected or not, wants to look at the larger problem of whether or not the program is necessary for our national security.

It is my considered opinion that there is an absolute necessity for continuing this program. I am happy to hear from some of the most conservatively inclined people in my State and elsewhere, and from some of the most conservatively inclined institutions throughout the Nation, that in their judgment this program is something important which, in the interest of national defense, national prosperity, and national security, should be continued.

For instance, Mr. President, I now quote from an editorial appearing in the New York Herald Tribune of Monday, July 18. I do not believe any of us would consider the New York Herald Tribune an ultraliberal source or a source which does not insist on economy. In this editorial, which is a very clear and concise statement, that important newspaper declares unqualifiedly in favor of the continuation of this program. I shall read it for the benefit of the Senate:

ERROR IN COMMITTEE

A recent action of the Senate Appropriations Committee in cutting off pay allowances of $65 a month for cadets attending the United States Merchant Marine Academy and the State maritime academies in New York, Maine, Massachusetts, and California appears ill-advised and discriminatory. Out of their allowances cadets must pay for uniforms, textbooks, various fees, dry cleaning, laundry, and a host of other expenses. Deprived of the funds, it is conceivable that a great many would be forced to resign unless their families are in a position to meet such expenses.

All those now in attendance at the five schools entered with the understanding that the allowance would be continued until they were graduated. The Government should not now default on such an agreement. Cadets at the United States Military Academy and at the United States Naval Academy receive similar allowances and no move has been made to discontinue these—as no move should be—because of the need of educating new officers for our armed services.

The recent war proved the need of a strong merchant marine and a strong reservoir of men to man it. The Senate committee's ruling, if enacted into law, will have the effect of narrowing the field of selection of potential candidates to those whose finances will permit attendance.

I wish to call particular attention to that point. Here the New York Herald Tribune says what is so obviously a fact, namely, that the cutting off of these allowances will restrict the number of young men who can attend these institutions to those who are relatively well to do and who come from families who can supply their expenses during their training, and it will make training at the academies impossible for young men who come from families that are less well to do and are unable to pay their expenses during their training.

I continue to read from the editorial:

Some friends of the martime schools predict that such procedure would mean their end. It certainly is not in keeping with democratic procedure. The full Senate should correct the committee's error at once.

Mr. President, it seems to me a most important principle is involved in this matter. I thought my distinguished colleague was particularly sound in referring to the international implications of this program, under which, as shown by the letter from the Assistant Secretary of State, 69 young men have been admitted to this training from the Philippine Republic and 12 from the various Latin American nations—not by action of the heads of this program, but by action of the Congress, represented by the Senate and the House of Representatives, which voted, because it thought it was wise to do so, to extend the services of these training facilities to young men from some of our neighbors and friends who do not have comparable facilities for training. The letter from the Assistant Secretary of State clearly calls attention to the fact that, of course, having proceeded under the directions of the ela wand in the way set forth by the act of Congress, there is nothing that honorable men would wish to consider doing except to go through with the commitment which has been made, now tha twe have asked the President of the Philippine Republic to assign 69 young men for such training, and now that they are here at the academies, receiving the training, and now that we have asked various agencies of our Latin-American neighbors, through our diplomatic channels, to assign some of their young men to be trained at our institutions, and advised them and assured

them that throughout such training they would receive the same expense allowance that United States citizens at such academies receive, namely $65 a month, throughout the training.

Mr. President, there may be some question as to whether that was a wise course to adopt; but so far as I am concerned, it was a wise course, for in view of the situation existing in the western hemisphere, leadership must be provided by the United States. This is not the only field in which the United States is providing leadership. Certainly the Congress must have thought it wise to make this arrangement. Otherwise the Congress would not have passed the acts under which the selections for such training were made and under which the training is now being given.

Mr. President, now that we have proceeded thus far, is it the part of wisdom and is it fair to contemplate—in the midst of the training of the 81 young men who have been assigned to these academies by our friendly neighbors—cutting off the money necessary for their support, the allowances which we assured them would be available to them throughout their training?

Mr. President, I close by stating that it seems to me every Senator will wish the proposition to stand, of course, not on the basis of whether his State is affected, but solely on the basis of whether it is wise, having in mind the welfare of the United States, to continue the program—not in the degree in which it was conducted during wartime, but in the degree provided by the appropriation.

Mr. President, I am sure it would be foolish for us to cut off this activity. We must remember that in the two world wars into which we have unhappily been forced, one of the serious difficulties which we encountered was the lack of an adequate merchant marine and the lack of adequate trained personnel to operate the ships. In that connection, I assume that many other Senators have had the experience I have had: In three instances, I saw boys being hauled from the water while suffering from burns from which some of them did not recover. They received those burns because they were operating ships carrying oil, a commodity which is vital to our country's civilian or military operations at any time. Those ships were, in some instances, carrying oil from the Gulf coast to the east coast, and in many cases they were carrying oil from the Gulf coast to Europe.

Mr. President, we are not offering these young men a sinecure. The life in that service is not a soft life. On the contrary, it is a life filled with danger. From the bitter experience we have had in two world wars, we have learned that the service they perform is intimately connected with our chance to survive, our chance to succeed. In the past we have found ourselves hopelessly unprepared. Obviously, Mr. President, when we are spending billions of dollars for developments in the fields of atomic energy, jet propulsion, guided missiles, and every other conceivable sort of defensive machinery, and for many kinds of training, we would be foolish indeed if we overlooked the lesson we should have learned from the last two wars, namely, that the tramp steamer and oil tanker constitute a vital element in our ability to sustain our armies and our friends overseas and to proceed quickly to victory, in the event that war comes again.

Solely from that standpoint, Mr. President, if we are to consider only one reason for this program, I say we would be most unwise not to provide for the necessary continuation of this activity.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. BALDWIN. Will the Senator agree that it is just as important to train young men in seamenship and navigation and engineering as it is to train young men in other services necessary to our defense?

Mr. HOLLAND. I certainly agree.

Mr. BALDWIN. And will the Senator also agree that the young men trained in the maritime academies receive training which enables them, while in these services, to constitute an effective adjunct to the Navy and other branches of our armed services in time of war—in other words that, as a result of such training, they qualify for far more than seamanship, navigation, and engineering?

Mr. HOLLAND. That is entirely true. I think it has already been brought out that a substantial percentage of the graduates of these schools or academies helped to man the Army transport service during the war, and many of them are still in that service. All the graduates of these schools are available either to the Army, the Navy, or the Coast Guard, in any of their branches of service.

I think the Senator has already brought out that point—that these men are available, not only for the merchant marine service, but also for the Army, the Navy, the Coast Guard, and other activities vital to the welfare of our Nation. Some of those services were mentioned a while ago, including the private merchant shipping service, particularly certain tanker service, which is not a part of the organized merchant marine.

I thank the Senator for his inquiry.

Mr. PEPPER. Mr. President, before the Senator concludes, I should like to know whether we are in agreement that the total number of unlicensed personnel turned out each year at St. Petersburg is 600, and the total number of cadets turned out in both schools and all the other institutions is 390 officers. In other words, the total number—390 officers and 600 unlicensed personnel—is all that the whole program is feeding into the pool of available personnel for such service, so they could not have any very material effect on the number of unemployed persons available for that service.

Mr. HOLLAND. Mr. President, I appreciate the question. This morning I asked Admiral Knight for the specific figures, and I now have them. In the case of the St. Petersburg school, the figure the Senator has stated is correct, namely, 300 young men are trained there at a time, and there are 2 courses a year, or a total of 600 trained each year. Two hundred are turned out at Sheepshead Bay; 135 at Alameda; 710 at the four excellent State schools which receive, as I recall, $50,000 a year from this appropriation, if it is made; and 1,312 at the 3 other agencies, namely, Pass Christian Institute, at Pass Christian, Miss., Kings Point; and as a result of the training on the merchant ships themselves, which is going on constantly as a part of this program, making a total of 2,650 in school at any one time.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. PEPPER. The Senator has given in the case of the cadets the number of schools. Has the Senator the figures to show the number turned out each year as graduates?

Mr. HOLLAND. The number of officers turned out is 390 from all the schools.

Mr. PEPPER. Three hundred and ninety officer personnel and six hundred unlicensed personnel, or a total of nine hundred and ninety are turned out in a year; is that correct?

Mr. HOLLAND. That covers the officers from all schools and the unlicensed personnel from St. Petersburg—not those who are upgraded. And, Mr. President, since the distinction is made, I may say, while I fully approve the fact that 390 should be turned out, when turned out they are not only commissioned to serve in the merchant marine but also as Reserve officers of the Navy. But I think it is important to turn out some sergeants, too, for use in the Army, and the institutions which turn out men who can serve as cooks and bakers and oilers below deck, and to serve in the trained capacities in the mess, are of importance, and it is highly necessary that they be trained. I asked Admiral Knight what were the various groups that were turned out as the result of the training of enlisted men. He said they were in three classifications—able seamen for deck service, cooks and bakers for participation in the mess service, and firemen, water tenders, and oilers for service below deck.

Mr. MAGNUSON. Mr. President, I do not want to prolong this discussion, and I appreciate the hour is getting late, but this is a matter I think should be cleared up. The junior Senator from Florida has made an excellent statement regarding the efficiency of the schools. I may say to him, that has never been in controversy. The schools are fine. There is only one question involved here: that is, whether it is worth-while to train men as merchant seamen and merchant-marine officers, make them reserve officers and then keep them in moth balls, as it were, in the event something may happen and we can use them. In that event, of course, a larger appropriation, or whatever amount of appropriation the Senate might deem wise, would be in order.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MAGNUSON. Let me finish stating the question. If it is the intent to continue the program because of the

needs of a peace-time American merchant marine, then the program represents false economy and should be gradually discontinued. I shall read the figures. The Senator mentioned St. Petersburg. I shall put into the RECORD the unemployment in Jacksonville of these identical trained men. The latest report from Jacksonville shows that there are out of work 12 masters, 7 chief mates, 9 second mates, and 8 third mates, who have been looking for work approximately 6 months. That is from Jacksonville. I have a report from Savannah, and from Charleston, S. C., where they have only had two assignments during the last 6 months. There is a report of five masters, two chief mates, five second mates, and nine third mates available, and they have only ha l two assignments in the last 6 months. Galveston reports 20 masters, saying it is impossible to estimate the waiting time because of the very few vacancies available. Mobile reports 17 masters out of work, many of them waiting an indefinite period, except that they have been released for vacations or trips. There have been shipped only 10 permanently assigned persons in the past 6 months, 63 second mates, and 80 third mates.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. PEPPER. Has the able Senator from Washington any figures showing how many officers in the Army, Navy, and the Air Force, who led men gallantly and completely in the service, are out of work and would like to return to the regular service, notwithstanding we are continuing to train men in the Army, the Navy, and the Air Force?

Mr. MAGNUSON. I may say to the distinguished Senator from Florida there are many of those who were officers during the war who would like to go back into the military services. They suddenly discovered after they got out that they enjoyed a much nicer situation in the Army or Navy and would prefer to reenter the service. But that is not a comparable situation. An important principle is involved. When we talk about the Army, Navy and Coast Guard we are training men for Government service. We are paying for their training. We may have a surplus in some years, and in other years there may be a real need. But those who are trained in the regular academies are in a different position. There is always a need for them, because they receive much more specialized training than the average Reserve officer who goes to college. We are talking about training men for private industry. If we carried it to the extreme——

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MAGNUSON. In a moment. Let me finish. If we carried this to the ultimate, we had just as well say we are going to pay for the training of doctors or certain skilled craftsmen. We do not even do that when there is a scarcity. But here we are training men for maritime service. I say, if it is desired to keep them in reserve, that is fine, but if we are training them to fill the needs of the present American merchant marine, or its needs as we can foresee them within the next 4 or 5 years, we are training men who are going to be disappointed. The jobs are not available. There is a surplus. I think a very important question is involved. We do not propose to take away the facilities. If I were a young man and wanted to go to sea and to become an officer in the merchant marine, I could go to one of these schools, just as I could go to a different kind of school if I wanted to become a doctor, a lawyer, or a tradesman. I could go to a trade school. The unlicensed seaman is sent practically to a trade school. But here we are training a large number of men who eventually will be sorely disappointed. If it is desired to train them, if it is desired to spend money to have a great merchant marine reserve, to put most of them in moth balls as it were, then perhaps in the judgment of Senators we should appropriate more money. But if we are doing it to supply the needs of the American merchant marine, I think we are doing an injustice.

I can give figures from every port in the country. This information does not come from the CIO. We receive reports, and we keep a list. The information comes from labor organizations and from shippers. There are men on the beach in number far above the need. Do Senators say there are only 390 officers turned out each year? We have berths for only 14,000 officers in the American merchant marine. In 10 years there would be a doubling of the number of officers immediately available. We have 120,000 listed. Surely all of them are not going back to sea, and surely, if there are 120,000 available licensed masters and mates listed in this country for employment, and only 14,000 can be employed, if there are turned out each year an additional 390, who are probably even better trained academically—I do not know whether they would be more capable, but surely they would be better trained—I think it will be doing them a disservice, and I think it will be doing the merchant marine a disservice in view of the unemployment situation.

Mr. PEPPER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Florida?

Mr. MAGNUSON. The men can go to the academies. They are available to them, just as they would be available to me. I could go and be trained. I agree with the Senator from Florida there is a closer connection between the merchant marine and the Military Establishment than between ordinary trades, but the merchant marine is still a private industry, and until the Government takes it over, the schools are in a different category from the Military, Naval, and Coast Guard Academies.

Mr. PEPPER. Mr. President, if the Senator will allow me just a moment——

Mr. MAGNUSON. I yield the floor.

Mr. PEPPER. Very well. If the Senator from Wyoming will allow me I should like a moment to reply to what the able Senator from Washington has said, but in the first place, may I ask the able Senator from Wyoming, is there carried in the merchant-marine section of the pending bill any subsidy for the merchant marine?

Mr. O'MAHONEY. Of course, the appropriation for the Maritime Commission does carry the funds from which the operating differential subsidies and the construction subsidies are paid.

Mr. PEPPER. In other words, Mr. President, the Senator from Washington has spoken as if this were related to private employment, as if it were not associated with public service. When I asked the question as to how many former officers of the armed services were unemployed and would like to get back into the regular service the Senator did not have the figures. Notwithstanding the number, we are still operating academies at New London, West Point, and Annapolis. So I think we should continue to operate the academies which are training cadets and unlicensed personnel for the merchant marine. Why? Because we subsidize the merchant marine, and we subsidize the construction and operation of ships through the Public Treasury. This is done because we realize that the merchant marine is essential. There are 2,000 ships tied up. Yet this bill carries a subsidy to improve and increase the training of young men for the merchant marine. Why? Because we think we may need those ships in case of an emergency, and we shall need the personnel to operate the ships.

So, Mr. President, it is not a fair analogy to say that the Army, the Navy, and the Coast Guard personnel work for the Government, while these men in the merchant marine academies work for private employers. When these ships went into service in wartime to carry our men it was because we could not carry them all on cruisers and battleships. We do not carry the sinews of war on ships of the Navy or the Coast Guard; they are carried by the merchant marine. The ships are manned by civilians, and competent seamen and competent officers must be on those ships if they are to be effective in their operation.

Mr. President, I have here a letter addressed by Admiral Knight to the Senator from Massachusetts [Mr. SALTONSTALL]. I do not know whether the able Senator put it into the RECORD. It refutes a statement which appeared in a newspaper. A certain gentleman stated:

"A sample study of the last 100 qualified seamen graduated by the United States maritime service in 1947 shows that 84 never shipped aboard vessels in the American merchant marine subsequent to their graduation. Of the 16 who did ship, only 9 remain in the industry today."

The facts are that a careful check of this list made by us against all available records, admittedly incomplete, shows that of the 100 graduates, 58 shipped out on merchant vessels operated with merchant crews by the Army Transport Service, 16 shipped out on other merchant vessels, and one is deceased, making a total of 75 out of the 100 who actually did ship out on merchant vessels.

So, Mr. President, these men have been going into the merchant marine.

Mr. BREWSTER. Mr. President, I desire to take a very brief time to associate myself with the Senators who have

supported the amendment of the Senator from Massachusetts in favor of providing for merchant marine training. I speak from historical, sentimental, and personal interests. I speak from historical interest because I think the State of Maine claims to have been the State of origin of the American Merchant Marine, since a vessel was built there in 1604 named the Virginia.

I speak from a sentimental interest because ever since that time many ships have been built in Maine and many sons of Maine have followed the sea.

I have a personal interest, because I taught school for a year at the place at which the Maine Maritime Academy is now located. The four States in which these academies are located have demonstrated by the contribution of their own resources that they believe in the training of their young men for the sea. I would suggest to our friend from Washington that I am sure he would not discontinue that the training of you men in agriculture because of the fact that enormous agricultural surpluses are now inundating us, and it would be as logical to suggest, "Why train any more farmers when we obviously have more than we need?"

Mr. MAGNUSON. There is no connection between the two propositions. We do not train farmers at Government expense.

Mr. BREWSTER. We do not?

Mr. MAGNUSON. No.

Mr. BREWSTER. I think the Senator had better read the history of legislation in 1867 which founded the land-grant colleges for training young men in agriculture. The distinguished Senator from New Hampshire [Mr. BRIDGES] received his training in such a college. That is still true in my own State and in the State of Washington. Young men are still being trained with the assistance of funds provided for that purpose.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. MAGNUSON. In this case we are talking about paying the students while they are attending school. We do not pay anyone undergoing training to be a farmer while he is attending school. It is true that many of our universities were helped by State and Federal Governments, or by taxpayers' funds, and the facilities were made available. But we do not pay the students subsistence while they are attending school.

Mr. BREWSTER. We are training a great many men at Federal expense, not only in agriculture but in many other fields. Take, for instance, the textile field. We are training thousands of our young men at Federal expense under the GI Act. Why bring these men up to a vacuum? Why train them to do a thing for which there is no need?

The maritime academies of this country are of great significance, as the Senators from Florida have so forcefully and eloquently pointed out. The Senator from Washington and I are now members of a Subcommittee on the merchant marine, studying means by which it may be built up. I am not ready to admit that our merchant marine again is going to disappear from the seas. If it is to continue, and if world commerce is to continue, if the American flag is to carry our commerce, we must constantly train young men for the service. If we are going to close the door and say that no more young men shall enter, then we shall have pronounced the doom of our merchant marine.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. MAGNUSON. Of course there has been no contention on the part of the Senator from Washington that we should close the door. We are talking about whether we should inaugurate a policy of paying money to young men to go to these schools—they can go, any way; they do not have to be paid to go—and put them into a peacetime field. Even if we doubled and quadrupled our merchant marine, we apparently would have enough qualified men. It is a question of whether we should pay them to be trained for this peacetime activity. There is no argument about their efficiency.

Mr. BREWSTER. It has certainly been found both practicable and desirable, if not necessary, that the program contemplated at the present academies should be carried out in order to get the personnel we desire. It is true that some of the men might be able to carry on, but they would be those who have the parental resources adequate for it. But it seems unfortunate to close the door on every young man who is interested in the sea but who is unable, under the circumstances, to carry on, as hundreds of persons have testified before the committee in our hearings.

Mr. O'MAHONEY. Mr. President, will the Senator yield for an inquiry not having to do with the argument, but in order to determine the possibility of reaching a vote?

Mr. BREWSTER. I yield.

Mr. O'MAHONEY. There has been a general understanding all afternoon that at 6 o'clock the Senate would take a recess. We have made a little progress today with the bill, and this amendment is the last one relating to the Maritime Commission. If we are able to get a vote upon the amendment tonight, the next items have to do with the Veterans' Administration. I am persuaded that they may be handled rather expeditiously and that there are no other committee amendments which are likely to be controversial. I think the Senator from Maine is probably the last speaker, is he not?

Mr. BREWSTER. I expect to terminate my discussion within the next 2 or 3 minutes.

Mr. O'MAHONEY. If that is the case, then, the Senator from Wyoming will ask for a vote upon the amendment of the Senator from Massachusetts immediately thereafter.

Mr. BREWSTER. Mr. President, I wanted to place in the RECORD, in answer to the suggestion that these young men will have no opportunity, the figures of our own Maritime Academy for the past year. We have graduated in the past 10 years 628 students. One hundred and forty-seven of the total number of graduates now hold licenses in the top grades in the maritime service. This year 47 students have graduated. What is to me very significant is that 28 of those immediately went into top positions in the merchant marine, 5 went to the Navy for another year of training, and 146 are promised good positions in the marchant marine by the 1st of September. It seems to me that is in some measure an answer.

Mr. President, I realize the difficulty of those who are unemployed. That is true not only of the merchant marine, but in many other fields, and I do not think that is a sufficient reason for our discontinuing the training of young men in each generation as they come along, leaving the problem of the maintenance of the American merchant marine, and its building, to what I believe will be the very constant interest of the Senator from Washington, and of all others who recognize what the American merchant marine has meant to us in war as in peace.

Mr. President, I hope the amendment will prevail.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Massachusetts, being considered en bloc, by unanimous consent. [Putting the question.] The "ayes" appear to have it.

Mr. O'MAHONEY. I ask for a division.

The Senate proceeded to divide.

Mr. O'MAHONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Millikin
Anderson	Holland	Morse
Baldwin	Humphrey	Mundt
Brewster	Ives	Neely
Bricker	Jenner	O'Mahoney
Butler	Johnson, Colo.	Pepper
Cain	Johnson, Tex.	Robertson
Capehart	Johnston, S. C.	Saltonstall
Chapman	Kefauver	Schoeppel
Cordon	Kem	Smith, Maine
Donnell	Kilgore	Sparkman
Downey	Knowland	Stennis
Dulles	Langer	Taft
Ellender	Lodge	Taylor
Ferguson	Long	Thye
Flanders	Lucas	Watkins
Frear	McClellan	Wherry
George	McKellar	Williams
Gurney	McMahon	Withers
Hendrickson	Magnuson	Young
Hickenlooper	Martin	
Hill	Maybank	

The PRESIDING OFFICER (Mr. FREAR in the chair). A quorum is present.

Mr. O'MAHONEY. Mr. President, this matter has been debated at length all afternoon, so I shall not take any unnecessary time to explain the issue.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. FERGUSON. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. O'MAHONEY. Mr. President, the issue is simply this. A budget estimate was received reducing by $3,257,000 the appropriation for the maritime training academies. The subcommittee and then

the full Committee on Appropriations endorsed the budget decrease. It would save $3,257,000.

The Senator from Massachusetts has offered an amendment to reject the budget estimate decreasing the appropriation, and to raise the appropriation to $6,586,000, which is the amount by which the bill passed the House. The House committee, I must say, however, reported the same figure that the Senate committee has reported. The increase was made upon the floor of the House. The amendment of the Senator from Massachusetts also includes two technical amendments by which the item on page 54, line 20, is increased from $1,682,500 to $3,065,000, and by which the item on page 55, line 1, is increased from $60,000 to $100,000. These amendments are necessary if the Senator's amendment to increase the main appropriation in line 3 of page 55 is adopted. Senators who desire to sustain the amendment of the Senator from Massachusetts will of course vote "yea." Those who wish to sustain the recommendation of the committee will vote "nay."

Mr. SALTONSTALL. Mr. President, I will be equally brief or even briefer than the Senator from Wyoming. The amendment is sponsored by the Senators from Florida [Mr. PEPPER and Mr. HOLLAND], the Senator from Alabama [Mr. SPARKMAN], the Senator from Connecticut [Mr. BALDWIN], the Senator from New York [Mr. IVES], the Senator from Maine [Mr. BREWSTER], the Senator from Massachusetts [Mr. LODGE], the Senator from Vermont [Mr. FLANDERS], the Senator from Mississippi [Mr. STENNIS], the Senator from Maine [Mrs. SMITH], and myself, and possibly other Senators would like to sponsor it.

The amendment would permit the maritime training schools sponsored by the Federal Government at Kings Point, and in Mississippi, the noncommissioned officers maritime school in Florida and the school in California, to continue to exist.

If the amendment does not prevail, the cadets and noncommissioned officers will not be able to receive any pay while they are in training. Many cadets cannot afford to go to the schools without the $65 a month with which to buy their uniforms, have their laundry done, and with which to buy their books. Rejection of our amendment will make it impossible for them to go to the training schools. It puts back into the budget $1,434,000 to allow these cadets to be paid. It puts back into the bill $636,000 for the expenses of noncommissioned trainees. It puts back into the bill $1,382,000 to permit an adequate staff, which is reduced from last year, to carry on the work of these schools.

If the amendment is adopted, the appropriation will be 15 percent under the appropriation for 1949. It was the original Budget Director's request. I hope the amendment will be adopted.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. PEPPER. Is not the amount of the amendment of the Senator from Massachusetts on this item exactly the same amount which came over from the House?

Mr. SALTONSTALL. I answer the question of the Senator from Florida by saying it is the exact amount which was adopted on the floor of the House.

Mr. LONG. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. LONG. Is not the issue involved pretty much as follows: If the amendment to the committee amendment is not adopted, it will simply mean that a poor man's son cannot train to be a merchant marine officer? Is not that what it means?

Mr. SALTONSTALL. I agree with the Senator that such will be the result. It will also virtually mean the closing of our merchant marine training schools.

Mr. FERGUSON. Mr. President, I believe this is a place in the bill where we can practice some economy. The committee has seen fit in this case to cut the appropriation, because we do not need the men at the present time. By the proposed cut we will not close down the schools.

It has been stated during the colloquy that the proposed action would interfere with the foreign policy of our Nation, because Congress passed a law which permits 12 students from Latin American countries to come to the United States and attend these schools. Therefore it is contended that we would break faith with these foreign nations if we do not continue to pay the students they send to the training schools. These students can go to Kings Point and obtain the same education that an American boy can obtain. The argument that by the proposed reduction we will keep 12 students from other countries from attending the schools is not a valid one. That argument would imply that the United States owed the students in question educations for jobs which do not exist today.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. HOLLAND. I do not believe the Senator wants to misrepresent the situation.

Mr. FERGUSON. Not at all.

Mr. HOLLAND. There are 12 students from South American countries and 69 from the Philippine Republic who are in these schools under acts passed by the Congress of the United States.

Mr. FERGUSON. The students from the Philippine Islands are provided for under the Rehabilitation Act we passed in connection with the Philippines. The Philippine students can receive compensation under that act, as I understand, but not under the pending bill. We do not need all these employees at these schools at the present time. I hope the Senate will at this time practice economy by sustaining the committee.

The PRESIDING OFFICER. The question is on the amendments en bloc, offered by the Senator from Massachusetts [Mr. SALTONSTALL] for himself and other Senators, on page 54, line 20, to strike out "$1,628,500" and to insert in lieu thereof "$3,065,000"; on page 55, line 1, to strike out "$60,000" and insert in lieu therof "$100,000"; and in the committee amendment on page 55, line 3, to strike out "$3,151,050" and insert in lieu thereof "$6,586,000, including the pay of cadet midshipmen and other trainees."

The yeas and nays have been ordered, and the roll will be called.

The roll was called.

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Iowa [Mr. GILLETTE], the Senator from North Carolina [Mr. GRAHAM], the Senators from Rhode Island [Mr. GREEN and Mr. McGRATH], the Senator from Arizona [Mr. HAYDEN], the Senator from Wyoming [Mr. HUNT], the Senators from Oklahoma [Mr. KERR and Mr. THOMAS], the Senator from Nevada [Mr. McCARRAN], the Senator from Idaho [Mr. MILLER], the Senator from Montana [Mr. MURRAY], the Senators from Maryland [Mr. O'CONOR and Mr. TYDINGS], the Senator from Georgia [Mr. RUSSELL], and the Senator from Utah [Mr. THOMAS] are unavoidably detained.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Illinois [Mr. DOUGLAS], the Senator from Arizona [Mr. McFARLAND], and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Illinois [Mr. DOUGLAS] is paired on this vote with the Senator from Mississippi [Mr. EASTLAND]. If present and voting, the Senator from Illinois would vote "nay," and the Senator from Mississippi would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "yea."

The senior Senator from New Hompshire [Mr. BRIDGES] and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from Montana [Mr. ECTON], the Senator from Nevada [Mr. MALONE], the Senator from Wisconsin [Mr. McCARTHY], the Senator from Michigan [Mr. VANDENBERG], and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

The result was announced—yeas 33, nays 31, as follows:

YEAS—33

Baldwin	Hendrickson	Long
Brewster	Hickenlooper	McMahon
Capehart	Hill	Pepper
Chapman	Hoey	Saltonstall
Cordon	Holland	Schoeppel
Donnell	Ives	Smith, Maine
Dulles	Johnson, Tex.	Sparkman
Ellender	Johnston, S. C.	Stennis
Flanders	Kefauver	Thye
George	Knowland	Withers
Gurney	Lodge	Young

NAYS—31

Aiken	Kem	Mundt
Anderson	Kilgore	Neely
Bricker	Langer	O'Mahoney
Butler	Lucas	Robertson
Cain	McClellan	Taft
Downey	McKellar	Taylor
Ferguson	Magnuson	Watkins
Frear	Martin	Wherry
Humphrey	Maybank	Williams
Jenner	Millikin	
Johnson, Colo.	Morse	

NOT VOTING—32

Bridges	Hayden	O'Conor
Byrd	Hunt	Reed
Chavez	Kerr	Russell
Connally	McCarran	Smith, N. J.
Douglas	McCarthy	Thomas, Okla.
Eastland	McFarland	Thomas, Utah
Ecton	McGrath	Tobey
Fulbright	Malone	Tydings
Gillette	Miller	Vandenberg
Graham	Murray	Wiley
Green	Myers	

So the amendments offered by Mr. SALTONSTALL for himself and other Senators were agreed to en bloc.

Mr. SALTONSTALL. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. IVES. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion by the Senator from New York [Mr. IVES] to lay on the table the motion of the Senator from Massachusetts [Mr. SALTONSTALL] to reconsider the vote by which the amendment was agreed to.

Mr. TAFT. I ask for the yeas and nays.

The yeas and nays were ordered, and the roll was called.

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from North Carolina [Mr. GRAHAM], the Senators from Rhode Island [Mr. GREEN and Mr. MCGRATH], the Senator from Arizona [Mr. HAYDEN], the Senator from Wyoming [Mr. HUNT], the Senator from Nevada [Mr. MCCARRAN], the Senator from Idaho [Mr. MILLER], the Senator from Montana [Mr. MURRAY], the Senators from Maryland [Mr. O'CONOR and Mr. TYDINGS], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Utah [Mr. THOMAS] are unavoidably detained.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Illinois [Mr. DOUGLAS], the Senator from Arizona [Mr. MCFARLAND], and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Illinois [Mr. DOUGLAS] is paired on this vote with the Senator from Mississippi [Mr. EASTLAND]. If present and voting, the Senator from Illinois would vote "nay," and the Senator from Mississippi would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] who is absent because of illness is paired with the Senator from Vermont [Mr. AIKEN] who is detained on official business. If present and voting, the Senator from New Jersey would vote "yea," and the Senator from Vermont would vote "nay."

The senior Senator from New Hampshire [Mr. BRIDGES] and the junior Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from Oregon [Mr. CORDON], the Senator from Montana [Mr. ECTON], the Senator from Vermont [Mr. FLANDERS], the Senator from Michigan [Mr. VANDENBERG], and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

The result was announced—yeas 35, nays 30, as follows:

YEAS—35

Baldwin	Hoey	McMahon
Brewster	Holland	Pepper
Capehart	Ives	Russell
Chapman	Johnson, Tex.	Saltonstall
Donnell	Johnston, S. C.	Schoeppel
Dulles	Kefauver	Smith, Maine
Ellender	Kerr	Sparkman
Fulbright	Knowland	Stennis
Gurney	Lodge	Thye
Hendrickson	Long	Withers
Hickenlooper	McCarthy	Young
Hill	McClellan	

NAYS—30

Anderson	Kem	Morse
Bricker	Kilgore	Mundt
Butler	Langer	Neely
Cain	Lucas	O'Mahoney
Downey	McKellar	Robertson
Ferguson	Magnuson	Taft
Frear	Malone	Taylor
Humphrey	Martin	Watkins
Jenner	Maybank	Wherry
Johnson, Colo.	Millikin	Williams

NOT VOTING—31

Aiken	Gillette	O'Conor
Bridges	Graham	Reed
Byrd	Green	Smith, N. J.
Chavez	Hayden	Thomas, Okla.
Connally	Hunt	Thomas, Utah
Cordon	McCarran	Tobey
Douglas	McFarland	Tydings
Eastland	McGrath	Vandenberg
Ecton	Miller	Wiley
Flanders	Murray	
George	Myers	

So the motion to lay on the table was agreed to.

Mr. LUCAS. Mr. President, I move the Senate now stand in recess——

Mr. O'MAHONEY. Mr. President, before the Senator makes that motion, I desire to say that this morning the Senator from Nevada [Mr. MALONE], who, on the first day of the consideration of this bill, voted with the prevailing side against a committee amendment to increase the appropriation for the Civil Service Commission; and the Senator from Iowa [Mr. GILLETTE], who was not present, both advised me that they desire to move that the vote on that amendment be reconsidered. I should have told the Senator from Iowa that he could enter his motion last week. But by virtue of the long discussion on several of the amendments, I did not get a chance to do so.

I merely request unanimous consent now that either of those Senators may have an opportunity, if they so desire, to enter a motion to reconsider that vote.

The PRESIDING OFFICER. Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object, do I correctly understand that if consent is given, those two Senators will be allowed 2 days—from when?

Mr. O'MAHONEY. The 2 days have gone. I mean that they might have that opportunity tomorrow, if they desire.

Mr. WHERRY. At any time tomorrow?

Mr. O'MAHONEY. Yes.

Mr. WHERRY. That is all right with me.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

RECESS

Mr. LUCAS. Mr. President, I move the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 32 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, August 2, 1949, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate August 1 (legislative day of June 2), 1949:

IN THE ARMY

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of section 515 of the Officer Personnel Act of 1947:

To be brigadier generals

Col. Carter Weldon Clarke, O11682, United States Army.

Col. Halley Grey Maddox, O12852, United States Army.

Col. James Clyde Fry, O15023, United States Army.

Col. William Shepard Biddle, O15180, United States Army.

Col. Gerson Kirkland Heiss, O15092, United States Army.

The following-named officer for appointment, by transfer, in the Regular Army of the United States without specification of branch, arm, or service:

First Lt. Eugene Miles Perry, Jr., O56272, Medical Service Corps, United States Army.

The following-named officers for promotion in the Regular Army of the United States under the provisions of sections 502 and 510 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol (×) are subject to examination required by law. All others have been examined and found qualified for promotion.

To be colonels

Amos Tappan Akerman, O16060.
Alfred Harold Anderson, O28805.
Lewis William Anderson, O50904.
Conrad Stanton Babcock, O16104.
Donald Jansey Bailey, O16174.
Frank Troutman Balke, O38592.
Ernest Andrew Barlow, O6116.
James Durwood Barnett, O16234.
Raymond Miller Barton, O16185.
Julian Henry Baumann, O16326.
Wilmer George Bennett, O16141.
William Henry Bigelow, O16110.
John Franklin Bird, O16179.
Claude Aubrey Black, O16235.
Lucien Eugene Bolduc, O16137.
Alvin Truett Bowers, O16107.
Claude Franklin Burbach, O16184.
William Lloyd Burbank, O16186.
Luther Gordon Causey, O16336.
Charles Cavelli, Jr., O16165.
Lindsay Patterson Caywood, O50898.
John Loomis Chamberlain, Jr., O16117.
Earl Richardson Chase, O28811.
George Avery Chester, O16345.
Robert Pepper Clay, O16212.
Haskell Hadley Cleaves, O16253.
Joseph Pringle Cleland, O16239.
Hubert Merrill Cole, O16144.
Raymond Cecil Conder, O16131.
Harry Wells Crandall, O16238.
Marcel Gustave Crombez, O16198.
Charles Randolph Currier, O50901.
Joseph Blair Daugherty, O16252.
John William Davis, O16223.
Miles Merrill Dawson, O16079.
James Joseph Deery, O16123.
Pierre Bacot Denson, O16278.

Alfred Boyce Devereaux, O16138.
Samuel Adrian Dickson, O16219.
Wehington Dallas Dillinger, O50902.
Alexander Andrew Dobak, O16203.
Donald Dunford, O16267.
Floyd Ellsworth Dunn, O16261.
Carl Rueben Dutton, O16048.
Ira Kenneth Evans, O16215.
August William Farwick, O16276.
Russell Thomas Finn, O16237.
Benjamin Cobb Fowlkes, Jr., O16087.
Frank Gilbert Fraser, O16090.
John William Gaddis, O16200.
Gerald Edward Galloway, O16043.
John Frederick Gamber, O16115.
Michael John Geraghty, O16263.
Henry George Gerdes, O39513.
George Arthur Grayeb, O16152.
Francis Martin Greene, O28803.
Joseph Claron Grubb, O41393.
Haydon Young Grubbs, O16154.
Harry Herman Haas, O41385.
William O'Connor Heacock, O16098.
Earl William Heathcote, O28800.
Carl Warren Holcomb, O16082.
Ernest Victor Holmes, O16100.
Armand Hopkins, O16083.
Albert Aaron Horner, O16254.
Robert Lee Howze, Jr., O16055.
Raymond Elisha Hoyne, O28804.
John Randolph Jeter, O16342.
Edwin Lynds Johnson, O16158.
Ragnar Edwin Johnson, O28813.
Clifford Allen Kalser, O28801.
Thomas Joseph Kane, O41386.
Edwin Bascum Kearns, Jr., O16224.
Leo F. Kelly, O50895.
Leland Berrel Kuhre, O16056.
Samuel Mason Lansing, O16277.
Harry Clifton Larter, Jr., O16206.
Nelson Leclair, Jr., O28797.
Ralph Augustus Lincoln, O16097.
Gilbert Edward Linkswiler, O16098.
Leon Jacob Livingston, O39512.
William Eldred Long, O16221.
George Patrick Lynch, O16226.
Alan Francis Stuart Mackenzie, O28806.
Henry Beane Margeson, O16181.
Arthur Lawrence Marshall, O38593.
Milo Howard Matteson, O16127.
George William McClure, O28794.
George Henry McManus, Jr., O16170.
John Meade, O16338.
Harrod George Miller, O16044.
Ray Carl Milton, O41390.
James Wilbur Mosteller, Jr., O16168.
Aubrey Strode Newman, O16099.
Meredith Cornwell Noble, O16169.
Randolph Gordon Norman, O39515.
William Henry Nutter, O16095.
William Wheeler O'Connor, O16348.
Godwin Ordway, Jr., O16208.
Raymond Burkholder Oxrieder, O16042.
George Bateman Peploe, O16246.
Arthur Superior Peterson, O16268.
Frank Andrew Pettit, O16092.
William Everton Pheris, O16202.
Wilson Potter, Jr., O28798.
Branner Pace Purdue, O16149.
Curtis D. Renfro, O16248.
Lewis Ackley Riggins, O16111.
Nicholas Joseph Robinson, O16175.
Walter John Rosengren, O41392.
Harry Earl Rucker, O41381.
Ralph Randolph Sears, O16269.
Theodore Anderson Seely, O16344.
Paul Maurice Seleen, O16139.
Ronald Montgomery Shaw, O16103.
Donald Hubbell Smith, O16334.
Wayne Carleton Smith, O16207.
Leslie Wright Stanley, O38594.
Clyde Eugene Steele, O16159.
Henry Ewell Strickland, O16140.
Ernest Avner Suttles, O16275.
Samuel Johnson Taggart, O41388.
Percy Walter Thompson, O16315.
Carl Frederick Tischbein, O16119.
Kenneth William Treacy, O16052.
David Henry Tulley, O16075.
Warren Nourse Underwood, O16078.
Charles Howard Valentine, O16325.
Rinaldo Van Brunt, O16225.
Clarence McCurdy Virtue, O16322.
Whitfield Wannamaker Watson, O28802.
William Andrew Weddell, O16340.
Gustavus Wilcox West, O16146.
Henry Randolph Westphallnger, O16130.
Thomas Byrd Whitted, Jr., O16167.
George Kenyon Withers, O16049.
William Holmes Wood, O16135.

IN THE NAVY

Capt. Ralph J. Arnold, Supply Corps, United States Navy, for temporary appointment to the grade of rear admiral in the Supply Corps of the Navy.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 1 (legislative day of June 2), 1949:

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY

Col. Roy Hartford Parker, O12565, chaplain, for appointment as Chief of Chaplains, United States Army, and for appointment as major general in the Regular Army of the United States, under the provisions of section 15, National Defense Act, as amended, and title V, Officer Personnel Act of 1947.

The following-named persons for appointment in the Regular Army of the United States in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

To be first lieutenants

Robert B. Ellert, JAGC, O1336195.
Donald S. O'Neil, JAGC, O2017741.
Oliver R. Wells, JAGC, O414055.

To be second lieutenants

Maxwell A. Cook, MSC, O659257.
John L. Payne, Jr., MSC.

The following-named persons for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Billy J. Adams, O409620.
Thomas E. Adams, Jr., O1312628.
Virgil S. Adkins, Jr., O1100669.
John R. Ahern, O529557.
Karl E. Akin, O534642.
David B. Alexander, O438049.
Robert A. Allen, O540193.
Robert L. Ariail, Jr., O390475.
Nemesio A. Armstrong, O404338.
Albert M. Avery, Jr., O541129.
Rudolph A. Axelson, O468345.
Alfred A. Baeuchle, O519262.
William E. Bates, Jr., O550204.
John B. Baxley, O534925.
James E. Beckett, O533536.
Warren G. Beer, O462264.
Adolph L. Belser, O545494.
Milton M. Berry, O390481.
Robert C. Blair, O534924.
Peter J. Blumenthal, O514909.
Edgar W. Boggan, O413150.
Richard F. Brown, O425660.
Everts R. Buchanan, O401722.
Thomas C. Burns.
Harry L. Bush, O394111.
Donald A. Butler, O397708.
Louis A. Caraplis, O1825732.
Robert H. Carlson, O1304018.
William R. Carraway, O516360.
Herbert T. Casey, Jr., O536295.
William M. Castellini.
Edward V. Cerny, O426661.
Ernest W. Christ, O467792.
Edward H. Church, O407879.
Joseph F. Cobb, O733826.
George R. Cody, O422178.
Thomas H. Collins, O519364.
Robert J. Cook, O515019.
John E. Coon, O1046400.
John J. Crockett, O410336.
Paul V. Culbertson, O436577.
William D. Daily, O418019.
Albert F. Dawson, O386685.
William M. DeLoach, O1591091.
Charles M. Di Ciro, O960046.
John B. DeMarcus, O1322136.
Paul E. Donnelly, O410337.
William E. Donnett, O1794921.
Marlboro R. Downes, O526368.
Howard W. Durham, O517220.
Albert P. Elckhoff, O1166055.
John R. Emery, O534080.
Harris Emmons, O553449.
Lloyd R. Evans, O439228.
Romaine S. Foss, O1111062.
Marvin D. Fuller, O772157.
Ephraim M. Gershater, O465138.
Donald L. Gilliatt.
Louis O. Gruffrida, O959260.
Leo N. Goche, O1179411.
Robert E. Good, AO671420.
William I. Gordon, O524057.
Harold K. Graves, O521191.
Robert W. Greer, O466475.
Thomas J. Hallman, AO559870.
Robert E. Hammerquist, O540921.
Kenneth R. Hampton, O463401.
Clifford P. Hannum, O403934.
Richard E. Harris.
Ray A. Harrison.
Phillip E. Hassman, O425781.
Norvell H. Hawkins, O545148.
Robert J. Heckendorn, O1174885.
Glenn B. Helmick, O444804.
Walter Hettlinger, O1320630.
Walter Hibbard, Jr., O460565.
John S. Huff, O446837.
Quentin L. Humberd, O465212.
John W. Hussey, O1048030.
Charles A. James III, O537781.
Russell B. Jones, Jr., O551980.
Edwin B. Junge, O465936.
Phillip P. Katz, O430360.
Paul J. Kay, O1080117.
Robert J. Kirk, O1116469.
Monroe Kirkpatrick, O1181928.
Travis M. Kirkpatrick, Jr., O1058570.
Albert C. Knapp, O1823887.
Bruce R. Knowlton, Jr., O439391.
Arthur H. Kuhlman, Jr., O527813.
Victor J. Layton, O1114613.
Earl R. LeVier, O468890.
Mose E. Lewis III, O539794.
Albert W. Litschgi, O453269.
Theodore Llana, Jr., O1643808.
Theodore F. Locke, Jr., O446960.
Elwood G. Lodle, O1044017.
Robert J. Loe, O1176706.
Wesley T. Long, O1053702.
John H. Longbottom, O521708.
Hugh J. Lynch, O546871.
Robert E. Lynch, O1060539.
Robert C. MacLane, O403125.
John H. Maddox, O532144.
Christopher S. Magglo, O512801.
Donald B. Malmberg, O537706.
Clarence H. Manly, Jr., O534351.
Alexander F. Mariconda, O404416.
William R. McNeil, O1046889.
John L. Meakin, O418337.
John A. Mercer, Jr., O519936.
David W. Meyer, O520356.
Wilburn E. Milton, O1287386.
Henry D. Mitman, O545505.
John J. Montgomery, O551094.
Walter A. Moore III, O534210.
Thomas G. Morehead, O410211.
Allen L. Myers, Jr., O465106.
Vernon L. Nash, Jr., O1044765.
Robert E. Nath, O678308.
Stephen A. Nemeth, O388069.
William R. New, O1297926.
William C. O'Kelley, O465955.
Brian B. O'Neill, O1101606.
Robert H. Parks, O537439.
Quentin Pease, O448953.
Anthony Pecoraro, O1114705.
Robert G. Penny, O535353.
Richard A. Perkins, O467880.
John W. Pierce, O460582.
William L. Prout, O512748.
Arnold Rathlev, O428220.

The recommended procedure for separation for incompetence; while designated by the Commission as simple and clear-cut, would be equally as complicated as the present procedures and subject to the same delays. It would seem that further study should be given to this matter in order to actually simplify the procedures for involuntary separations.

With respect to the granting of within-grade salary increases, the Department agrees with the conclusions of the Commission and goes further in recommending that the provisions for granting additional increases for outstanding services should be liberalized.

OFFICE OF GENERAL SERVICES—SUPPLY ACTIVITIES

It appears wise to have a centralized organization to establish general policies on procurement services and to exercise some centralized control. However, I have some question whether actual purchasing, except in items of general use, should be centralized.

There is no doubt that existing statutes and regulations should be simplified by repeal or modification in order to provide greater flexibility in Government purchasing and service activities. This is a specialized field, and a great many of the problems under this heading could be solved by improved management and careful selection of specially qualified personnel.

BUDGET AND ACCOUNTING

This department agrees that considerable progress can be made in revamping the present appropriation structure and changing the date of the budget submission. There is not enough flexibility to enable the head of a department or agency to consider the best possible utilization of the funds appropriated to his particular agency. I agree with the recommendation that the Office of the Budget should place greater emphasis on developing policies and standards to cover the preparation of estimates and less on the review by its own staff of the departmental estimates. The agency heads should have some power to make transfers between appropriations not only to achieve more efficient operation but to create economies through flexibility of funds.

This Department agrees that the accounting functions belong in the executive branch of the Government and that the General Accounting Office should be restricted to auditing functions. A great deal can be done to simplify and improve the reporting and accounting system in the Government. The simplification in appropriation structures would help in reducing accounting requirements. This Department has tried where possible to improve its accounting operations; however, such efforts have been restricted by regulations imposed by the several agencies now having authority in this field.

There appears to be justification for eliminating the practice of sending millions of expenditure vouchers and supporting papers to Washington and for establishing a spot-sampling process at the various places where the expenditure vouchers and papers are administratively checked. Judging from the success this Department has experienced with on-the-spot audit of pay rolls the extension of this procedure to all accounts and vouchers would be a great improvement.

Adopting some or all of the recommendations of the Commission would result in considerable savings but I am in no position at this time to say how much.

Sincerely,

TOM CLARK,
Attorney General.

OUR POLICY IN CHINA AND THE FAR EAST

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD two editorials from the New York Times, one of Friday, July 29, 1949, entitled "The Clash on China Policy," and the other entitled "Toward a Far Eastern Policy," from the issue of Sunday, July 31, 1949.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of July 29, 1949]

THE CLASH ON CHINA POLICY

At the same time yesterday that Governor Dewey was making a frontal attack on what he described as the administration's "no policy at all" in respect to China, Secretary Acheson was indicating to the House Foreign Affairs Committee that this policy would not be changed. Governor Dewey called for prompt military aid to the Government of China to save it from being engulfed by the Communists. Secretary Acheson said that "in the judgment of everyone who has studied the matter, military assistance to China is not feasible at the present time."

Secretary Acheson's "everyone" obviously does not take in Governor Dewey. There is a direct clash of opinion and judgment here on one of the most vital aspects of our foreign policy and that clash might well be made the first item on the agenda of the new advisory group that Secretary Acheson proposes to set up to examine our Asiatic policies. The systematic examination of our policies will be pointless unless it leads to some sort of action. At the same time the proponents of action would agree that it should be based on sound examination.

The most hopeful thing in the program that Mr. Acheson announced was his statement that the consulting group would work closely with the proper congressional committees. This would be an improvement. Mr. Acheson must be aware of the fact that there is widespread dissatisfaction in Congress with our present course in the Far East. The Senate has indicated several times that it would like to take the lid off the Asiatic question but has been obliged to bow to pressure from the administration. Similarly there has not been even a pretense of keeping our bipartisan foreign front so far as the Orient is concerned. The very creation of this new advisory group indicates a defensive attitude in the State Department and this attitude has been the response to criticism that arises not out of expressed differences of opinion so much as out of mistrust because no opinions were exchanged.

The plan to call in nongovernmental consultants may or may not inspire public confidence. It will depend on who the consultants are. If they are persons who have associated themselves in the past with some of the apparent points of view in the Department their presence will suggest that they are mere window dressing for more of the same. More of the same is something that the Congress and a large part of the public definitely do not want.

Public confidence will likewise be affected one way or the other by the tone of the forthcoming white paper. If, as the Chinese fear, it turns out to be chiefly a recapitulation of the by now threadbare accusations against the Government of China in an effort to justify the various actions or inactions of the past there will be the same feeling of futility and mistrust that evoked Governor Dewey's attack. If there is to be a paper on China, it ought to be a white paper, not a whitewash paper. If there is to be a policy on China, it must be concerned primarily with the possibilities of the future rather than the mistakes of the past.

It is on those possibilities that Governor Dewey and Secretary Acheson have clashed. What can be done, and what ought to be done? "It is my firm conviction," Governor Dewey said, "that with a small fraction of what a new war would cost we could provide the skills and resources which we might reasonably hope could still save China." Secretary Acheson does not share that conviction or that reasonable hope.

Manifestly, then, the first job of this new advisory group ought to be to explore, not discard, the basis for Governor Dewey's conviction. That should be done at once, for if any action is to be taken it should be taken quickly. The Chinese Communists have shown no inclination to wait for the dust to settle or to wait until the minutiae of policy are subjected to interminable analysis. Time is not on our side in China.

[From the New York Times of July 31, 1949]

TOWARD A FAR-EASTERN POLICY

The announcements concerning the formation of an advisory group to study our Asiatic policy have emphasized that the study will be on a broad regional basis. It is felt, presumably, that only in that way can we escape being trapped in fruitless controversy at a number of specific points. Obviously this will not meet the demand for prompt and effective action, but it should lay the basis, over a period, for wise and consistent courses.

There is reason for gratification in the fact that men of real distinction have been chosen to act as advisers. None of them is a far-eastern specialist, but the public is likely to feel that a board composed of Ambassador at Large Philip C. Jessup, Raymond B. Fosdick, former president of the Rockefeller Foundation, and Dr. Everett Case, president of Colgate University, should be able to bring discretion, wisdom, and breadth of vision to the task.

At the moment, however, there are, in addition to the broad regional problems involved, a number of specific sore spots that require treatment. From the large point of view, east Asia has two big related problems: First, how to stop Communist aggression; and, second, how to effect a general and substantial increase in standards of living. Naturally, a long-range policy will undertake to deal with those problems as well as to express our desire for peace, prosperous trade, and political growth. But in the meantime we will also be obliged to meet some difficult situations.

In China, for example, our diplomatic and consular officials are, at this instant, virtual prisoners of the Communists. Other American citizens are in grave peril. Manifestly, the whole idea of our staying in China along with the Communists and seeing how we would work things out is bankrupt. Something else has to be done, and it won't wait for a regional survey.

Similarly, we are confronted with the urgent need for assistance to Korea if the Republic is to survive. That is part of the broad and long-range policy of opposing Communist aggression, but it is also a focal point of instant danger.

Fortunately, not all the immediate problems are as critical as these. The forthcoming visit of President Quirino, of the Philippines, will raise some questions about our relation to the Philippine Republic and what further assistance we can and should give. The recent talks between President Quirino and President Chiang Kai-shek will doubtless be reviewed, perhaps to our embarrassment.

At some other points in Asia there is a notable decrease in tension. In Indonesia, for example, the formal cease fire has been fully agreed upon. We have been gravely concerned about the whole Indonesian problem, its relation to the Netherlands economy and to ours, to the European aid program and to the United Nations. In that region now

much progress has been made, peace is being restored, and the Dutch and the Indonesians are going forward with their plans for a conference on sweeping political changes.

In the same week a cease-fire line has been agreed upon between Pakistan and India in the Kashmir dispute, and there are better prospects for an ultimate settlement than there seemed to be a short time ago. The situation is one for continuing concern, but the outlook is improving. In Burma, on the other hand, there is profound disorder and the threat of even greater trouble if the Chinese Communists can get to the Burma border.

Some of these situations will have to be met on a day-to-day rather than a long-term basis. They are, nevertheless, reflections of problems that may be approached from a regional viewpoint and with a definite set of principles. The naming of this new consultative group is in itself a confession that we have not had such a viewpoint nor followed such principles in the recent past.

THE STRIKE IN HAWAII

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a brief editorial entitled "A Truth for Americans," published in the Omaha Evening World-Herald of July 30, 1949. It deals with the strike in Hawaii.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A TRUTH FOR AMERICANS

London's Communist-fomented dock strike has ended and the strikers are back at work. But before the incident passes into history it would be worth while for the American people to have a long look at the facts of the case.

The strike grew out of dispute between two Canadian unions—the Canadian Seaman's Union, which is Communist-dominated and allied with Harry Bridges' International Longshoreman's and Warehouseman's Union (CIO), and the Seafarers International Union (AFL).

Two ships handled by the Seafarers dropped anchor in London. The Communist Seaman's Union promptly declared them "black"—that is, operated by strike-breakers. Communists among the London dockers persuaded their fellow workmen that anyone who went near the Canadian ships would be betraying one of the basic canons of working class loyalty. Port employers demanded, with perfect legality, that the Canadian ships be unloaded in their turn. The Communists twisted this into a "lock-out." Soon London's 15,000 dockers were idle.

Cabinet ministers of the Labor Government, many of them trade unionists themselves, pleaded with the dockers to go back to work. So did the officers of the Transport Workers Union, to which the dockers belong. The strikers preferred to heed the Communists.

The Labor Government, which in 1946 had repealed Britain's Trade Disputes Act, on the ground that labor had become completely responsible, was then compelled to go to King George for a declaration of emergency. The Labor-dominated Parliament upheld the Government with only four dissenting votes—those of Communists or fellow-travelers. The Government sent troops to unload ships, and the strike finally collapsed.

Harry Bridges' strike that has tied up Hawaii for almost 3 months is part and parcel of the same business. Because the Truman administration, unlike the British Labor Government, has taken no firm stand, the strike continues and Hawaii is prostrate.

Plainly, there is an international Communist conspiracy to seize control of shipping and port facilities, and to use that control in the interest of communism's holy land, Russia. Plainly, if the democratic nations are not to find themselves strangled at some critical time, they will have to do something about it.

So long as labor unions, in critical areas and industries, permit themselves to be bamboozled by Communist leadership, the so-called right to strike should be limited by public authority.

That is a truth which a majority of the Members of Congress evidently understand, but which the Truman administration, for reasons of politics, refuses to face.

ADMINISTRATION OF CERTAIN INDIAN LANDS IN NEW MEXICO

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1323) to declare that the United States holds certain lands in trust for the Pueblo Indians and the Canoncita Navajo group in New Mexico, and for other purposes, which were, on page 3, line 7, after "Register", to insert a colon and the following proviso:

Provided, That before said boundaries and descriptions are published in the Federal Register as herein provided, the Secretary of the Interior may correct any clerical errors in section III of said memorandum of information, and shall revise the same so as to define the areas on that portion of the lands conveyed by this act and known as Bell Rock Mesa used and occupied respectively by the Laguna Pueblo Indians and the Canoncito Navajo Indians.

On page 3, to strike out lines 20 to 24, inclusive, and on page 3, line 25 to strike out "4" and insert "3."

Mr. ANDERSON. Mr. President, I move that the Senate concur in the House amendments. I should like to add not to exceed twenty or thirty words of explanation.

Mr. WHERRY. Mr. President, is this a unanimous-consent request?

The VICE PRESIDENT. No. The motion is in order.

Mr. WHERRY. Is this a conference report?

The VICE PRESIDENT. No. It is a message from the House of Representatives with regard to House amendments to a Senate bill.

Mr. WHERRY. I have no objection.

Mr. ANDERSON. Mr. President, the second amendment, striking out section 3 of the bill as it passed the Senate, was adopted by the House committee solely for the reason that the basic law relating to the administration of trust lands gives the Secretary sufficient authority to administer the lands covered by the bill in the same manner as other Indian lands are administered. It was feared that the last part of the section might be interpreted as vesting additional or broader authority in the Secretary of the Interior.

I renew my motion that the Senate concur in the House amendments.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to.

LEGISLATIVE PROGRAM

Mr. LUCAS. Mr. President, yesterday I made the statement that we would probably displace House bill 4177 with the ECA appropriation bill. However, I learn from talking with the Senator from Wyoming [Mr. O'MAHONEY] who is in charge of the independent offices appropriation bill, that he is of the opinion that we may be able to dispose of that bill early this afternoon. We have reached page 57, as I understand, and are now ready to consider the appropriation for the Veterans' Administration.

It is my hope that the Senate may speed up matters a little with respect to this appropriation bill. I find that we have been almost 5 days on this one bill. While I do not underestimate the importance of this measure—and all appropriation bills are important—Senators are constantly asking me, "When are we going home? When are we going to adjourn?"

We are now about 5 weeks behind on appropriation bills alone, and it looks as though we shall be another 2 weeks on appropriation bills. Certainly we must get the appropriation bills out of the way before we can seriously discuss the question of an early adjournment.

I hope we may be able to finish this bill with all convenient speed. We took practically all afternoon yesterday on one amendment. Perhaps it was necessary to do that. I am not trying to tell the Senate what it should or should not do. I am only making an elemental plea for a little speed, if we can possibly obtain it. I do that in view of the number of Senators who are continually asking me about an early adjournment. I do it especially in view of what one Senator said recently to the press about the Senate being "slap-happy" and "punch-drunk." He said that we ought to have a "seventh inning stretch." I do not know what he means by all that. Perhaps he will explain it to us some time when he returns to the Senate. As I understand, he has not been here since he made that statement. I should like to have him elaborate on it a little, because I am sure that there are a number of Senators who would like to comment on that subject whenever he makes his valedictorian address on that very important topic.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. It is the understanding, then, that when the Senate concludes consideration of House bill 4177, it will proceed with the foreign aid bill?

Mr. LUCAS. The Senator is correct. I do not like to displace the independent offices appropriation bill, and I am sure that the distinguished Senator in charge of the bill [Mr. O'MAHONEY] would like to see us finish it before we take up the ECA bill.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The clerk will state the next committee amendment.

The next amendment was, under the heading "Veterans' Administration," on page 58, line 2, after the word "equipment", to strike out "$820,673,940" and insert "$845,073,940."

Mr. O'MAHONEY. Mr. President, I feel that we have now reached the point in the consideration of this bill where we may speedily dispose of what remains. I think there is very little of a controversial character left so far as the committee amendments are concerned. There may be some amendments offered from the floor. I have been given to understand that some Members of the Senate will desire to offer amendments; but even so, I doubt whether they will be of a character which will provoke debate.

Mr. President, in the original consideration of this bill the committee recommended an appropriation of $845,073,940, on page 58, in line 2, for administration, medical, hospital, and domiciliary services. After the committee report was made, however, an additional estimate in the amount of $16,000,000 was received by the committee. That additional estimate was called to the attention of the Appropriations Committee, and the chairman was authorized to report the amendment with an increase of $16,000,000 in the budget estimate. So the amount in line 2 on page 58 should read "$861,073,940." I offer that as an amendment to the committee amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] to the committee amendment on page 58, line 2.

Mr. O'MAHONEY. Mr. President, before we proceed to the consideration of this amendment, in view of the importance of this item in the bill, I desire to invite the attention of Senators to the fact that the Independent Offices appropriation bill, which carries amounts in excess of $7,636,000,000, carries also an appropriation of $5,603,907,940 for the Veterans' Administration alone. In other words, the appropriation for the Veterans' Administration accounts for the great buk of the huge sum carried in this bill.

In order that Senators may know how important that is, and how far-flung the activities of the Veterans' Administration are, I wish the RECORD to show that there are in 47 States and in the District of Columbia 130 veterans' hospitals. There are 70 regional offices. Every State in the Union, including the District of Columbia, has such an office. There are 461 Veterans' Administration offices scattered throughout the United States, with officers in charge. There are 13 domiciliary homes and centers. In all, the total number of field stations now open is 711. These activities are scattered throughout the United States. I think the figures themselves give one a comprehension of the complete coverage of this facility.

There were under hospital treatment, as of May 31, 1949, 107,866 patients. These patients are under treatment for all types of disease, including neuro-psychiatric. The domiciliary care is one of the important functions of the Veterans' Administration.

The reason for this additional appropriation of $16,000,000, which is offered by authority of the committee, is in order to service the new hospitals which presently will be opened.

The Director of the Bureau of the Budget in his letter of July 15 to the Senator from Wyoming said:

The additional 16,000,000 now requested will provide for the average employment of 5,000 for the medical, hospital, and domiciliary activities which will permit the Veterans' Administration to retain the nearly 5,000 persons now employed in those activities in excess of the number provided for in the 1950 budget. In other words, it will permit the retention of those employees who are now experienced and trained and will allow for a gradual and orderly redistribution of personnel to staff approximately 10,000 new beds to become available by June 30, 1950, as a result of the completion of the construction of new hospitals.

Mr. President, I ask unanimous consent that a copy of the letter of the Director of the Bureau of the Budget to the chairman of the subcommittee, together with a copy of his letter to the chairman of the full Appropriations Committee, may be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed the RECORD, as follows:

EXECUTIVE OFFICE
OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., July 15, 1949.

Hon. JOSEPH C. O'MAHONEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR O'MAHONEY: With my concurrence and the approval of the President, the Veterans' Administration is submitting to you a request for the restoration of $16,000,000 to the appropriation, "Administration, Medical, Hospital, and Domiciliary Services." The requested restoration will increase the amount now in the bill before the Senate from $845,073,940 to $861,073,940. However, the increased amount is $8,406,060 less than the amount included in the President's budget.

The additional $16,000,000 now requested will provide for the average employment of 5,000 for the medical, hospital, and domiciliary activities which will permit the Veterans' Administration to retain the nearly 5,000 persons now employed in those activities in excess of the number provided for in the 1950 budget. In other words, it will permit the retention of those employees who are now experienced and trained and will allow for a graduai and orderly redistribution of personnel to staff approximately 10,000 new beds to become availiabie by June 30, 1950, as a result of the completion of the construction of new hospitais.

Sincerely yours,

FRANK PACE, Jr.,
Director.

Senator KENNETH MCKELLAR,
Chairman, Senate Appropriations Committee, Washington, D. C.

MY DEAR SENATOR: With the concurrence of the Director of the Bureau of the Budget and the approval of the President, I am requesting that the amount of $16,000,000 be added to the amount for "Salaries and expenses" in the appropriation bill now pending before the Senate; this amount to be used specifically for staffing additional hospital beds which are scheduled to become available before June 30, 1950. Page 670 of the hearings on the independent offices appropriation bill before the Senate subcommittee lists the hospitals and the scheduled opening dates. These hospitals will provide a total of 10,306 beds in addition to existing hospitals and will make available during the 1950 fiscal year an average of 4,891 new beds.

The budget estimate for the medical-, hospital-, and domiciliary-care program as originally approved by the President and as presented to the Congress requested $566,666,400 for this program. This amount of money would provide average employment of 110,356 persons. The additional amount of $16,000,000 herein requested will permit employment of 5,000 persons above the number included in our original estimate for a total average employment of 115,356 persons. Actual employment at May 31 in the medical-, hospital-, and domiciliary-care program was 115,085 employees on the basis of full-time workers.

The increase requested herein will permit the Veterans' Administration to retain employees now experienced and qualified for hospital and medical care and will permit the transfer of such experienced workers from existing hospitals to new hospitals as they are opened. Thus a reduction of staff in the medical-care program will be avoided and later recruitment and training of new employees to staff the additional new beds as they become available will be unnecessary.

I am convinced that great efficiency of operation can be secured by this method and certainly employee morale and maintenance of the standards of medical care can be retained at a high level.

The additional amount of $16,000,000 for this appropriation will increase the amount now in the bill before the Senate (p. 58, line 2) from $845,073,940 to $861,073,940 for the appropriation entitled "Administration, medical, hospital, and domiciliary services." The original request approved by the President and presented to the Senate was $869,480,000. The present request is $8,406,060 less than the amount included in the President's budget.

Your cooperation in securing adoption of an amendment to H. R. 4177 to carry out this request will be sincerely appreciated.

Sincerely yours,

CHARLES R. GRAY, Jr.,
Administrator.

Mr. O'MAHONEY. Mr. President, I express the hope that the committee amendment will be adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment to the committee amendment on page 58, in line 2.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

Mr. GILLETTE. Mr. President, pursuant to the unanimous consent of the Senate which was obtained yesterday by the Senator from Wyoming, I send to the desk, on behalf of the Senator from Nevada and myself, a motion to reconsider the vote by which the committee amendment on page 11, in line 9, was rejected.

The VICE PRESIDENT. The motion will be entered.

Mr. O'MAHONEY. The motion will be entered and will be taken up later in the day, I believe.

Mr. GILLETTE. Very good.

The VICE PRESIDENT. The clerk will state the next committee amendment.

The next amendment was, on page 59, line 1, after the word "manner", to strike out the comma and "and any such representative may be assigned to one or more States (without regard to residence in any State to which assigned) as may be necessary to carry out the intent of this proviso"; and on page 59, line 4, after the amendment just above stated, to insert a colon and the following additional proviso: *"Provided further,* That at least one of such representatives shall be assigned to and reside in each State."

The amendment was agreed to.

The next amendment was, on page 60, line 10, after the word "occupation", to strike out "shall not be considered avocational or recreational" and insert "shall not, in the absence of substantial evidence to the contrary, be considered avocational or recreational when a certificate, in the form of an affidavit supported by two corroborating affidavits, has been furnished by a physically qualified veteran stating that such education or training is desired by him for use in connection with his present or contemplated business or occupation."

The amendment was agreed to.

The next amendment was, on page 61, line 21, after the word "amended", to strike out "$49,374,000" and insert "$467,450,000."

Mr. O'MAHONEY. Mr. President, on this amendment I feel it incumbent upon me to call the attention of the Senate to the fact that under date of July 15, the Comptroller General of the United States filed with the Congress a report in which it was held, with a lengthy argument, that the amount of the budget estimate included in this item, $210,420,000, which is for interest on the reserve fund, is not necessary under the present status of the law. I also have a letter from Mr. Clark, of the Veterans' Administration, in which he very vigorously disputes the position taken by the Comptroller General. In view of the fact that here is a controversy between the Comptroller General and the Veterans' Administration as to whether there actually is legal authority to pay this interest in the amount of $210,420,000, it was the intention of the chairman of the subcommittee to ask that that amount be deducted from the increase. However, since coming to the floor of the Senate today, I have talked with the chairman of the Finance Committee, which has legislative jurisdiction of that matter. I understand that the Senator from Georgia desires to comment upon this interest feature.

Mr. GEORGE. Mr. President, I shall make only a brief statement. If it were possible to withdraw this amount from the bill without seriously impairing the Veterans' Administration program, I would of course gladly concur in that procedure.

There have arisen or have existed some differences of opinion between the Comptroller General and the legal department of the Veterans' Administration regarding an item of interest. That came about in this way: Originally, after the passage of the legislation, a trust fund known as the national service life-insurance fund was set up to carry on the vast insurance program of the veterans. It was some time before it could be determined the amount that fund needed to be reimbursed by the United States to cover the extra losses due to military and naval hazards. Also there were certain amounts due the fund by way of interest because of the reimbursement being belated. So, it is necessary in order for the Government to carry out its part of the contract and keep the fund actuarily sound, that the Government pay to the fund the full amount of its obligation and this debt should be discharged at this time.

Mr. President, it is true that the proposed distribution of dividends by the Veterans' Administrator could not be made anyway until after the turn of 1950. It will be at least the middle or perhaps the end of January or perhaps February before these dividends can be distributed physically. I am referring to the physical difficulties involved. But the distribution cannot be made on the present schedule unless this item is passed and the money is available for transfer into the fund.

As a part of their compensation, the Government undertook to pay the life-insurance premiums on $10,000 of Government insurance during the period aviation cadets and students were in a flying status.

The Comptroller General seems to be of the opinion that there is no express authority for the payment of interest. Actually, Mr. President, the Comptroller General is in error on that point. I have great respect for that office, but I read to the Senate a simple committee statement in relation to this matter made when the act was amended:

> There was no misunderstanding of the intent and effect of such amendment. The Report No. 1705, Seventy-ninth Congress, second session, to accompany H. R. 6371, said:
>
> "Section 11 of the committee amendment amends section 607 (b) of the National Service Life Insurance Act of 1940, as amended, to authorize calculations of the value of life contingencies and liabilities thereunder to be based upon such mortality table or tables as the Administrator may prescribe with interest at the rate of 3 percent per annum. Experience has demonstrated that the American Experience Tables of Mortality are inadequate for calculations of liability involving payment of life annuities and that such calculations should be based on some other table if the amount transferred from the national service life insurance appropriation to the national service life insurance fund under the provisions of section 607 (b) is to be sufficient to reimburse the national service life insurance fund for the liability in case the death of the insured results from injury or disease traceable to the extra hazard of military or naval service."

The original act, dealing with national service life insurance, required all calculations to be based upon the American Experience Table of Mortality, with interest at 3 percent. By the August 1, 1946 amendment it was provided—

> That where life contingencies are involved in the calculation of the value of such benefits of insurance heretofore or hereafter matured, the calculation of such liability or liabilities shall be based upon such mortality table or tables as the Administrator may prescribe, with interest at the rate of 3 percent per annum.

There, Mr. President, is the express authority for the payment of interest. I think there can be no reasonable doubt about it.

But since the distributions cannot be made anyway until 1950, the two appropriate legislative committees of the Congress would have ample opportunity to go into this question and to recommend the appropriate action, if it should be determined that interest should not be paid to the veterans.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Georgia yield to the Senator from Massachusetts?

Mr. GEORGE. I yield.

Mr. SALTONSTALL. Is there not also involved another question, which perhaps is not a matter of serious concern, in connection with the withholding of some of this money at the present time? As I understand the discussion or difference of opinion, a veteran who takes out a policy under which the beneficiary receives a monthly payment for life gets 15.3 percent more, or $1,153, as I recall, on the principal of the policy, whereas under a one-payment policy in the event of death, the beneficiary will receive $1,000. That is also involved in the question concerning the American Experience Mortality Table. Is that a legal question, involving a change in the law, or does it enter into the question of this payment at the present time?

Mr. GEORGE. It comes into any question of the distribution of dividends, and of course, it would have to be taken into consideration. I think the whole difficulty arises from the fact that in the old United States Government life insurance of World War I, which was continued to the 8th day of October 1940, there was an express provision for the use of a specified mortality table. That provision of law has been faithfully followed. In subsequent legislation it was provided that for the purpose of reimbursing the fund the mortality table or tables should be such as the Administrator himself might prescribe, again with interest at the rate of 3 percent per annum.

The Comptroller General takes the rather broad position that a different mortality table should have been used for the calculation of annuities. But I do not think the facts justify the criticism in that regard. It has been assumed the payment of dividends to the policyholders or to the beneficiaries, in case of the death of the insured, is a wholly voluntary act upon the part of the Administrator. Such is not at all the case. It is not optional with the Administrator. He has a legal duty to perform and his discretion is purely a legal one in contrast to a personal discretion. He must, of course, ascertain periodically, the condition of the trust fund. In most States the commercial insurers are charged with doing so annually. So the Administrator found it necessary, in due course to ascertain the condition of the trust fund.

I digress to say that dividends are not payable at all under the appropriation made by this act. Dividends are payable only out of the trust fund, in which

there is now a net balance over and above all liability upon existing policies of nearly $3,000,000,000 if the Government meets its contractual obligation. The one item here involved which would go into the trust fund is this appropriation which has to do with losses traceable to the extra hazards of military and naval service and interest on deferred transfers.

Mr. SALTONSTALL. Mr. President, will the Senator yield? If he has finished with his explanation, I have one more question I should like to ask.

Mr. GEORGE. I am glad to yield.

Mr. SALTONSTALL. Does not the Comptroller General make another point in connection with the $210,000,000? He made the point as to whether the Government owed interest from the time a war casualty died to the time the money was paid into the insurance fund, and whether the Government owed the interest, or whether it paid into the insurance fund the face amount, as I understand, of the insurance policy. That also was involved, as I understood, in the amount, whether payable at 3 percent or at 2½ percent. The Senator from Georgia says it is payable at 3 percent as clearly expressed. My question is, Is the law clear, and is there any question involved as to whether any interest is due for that period?

Mr. GEORGE. I think the law is clear. Let me say, in the Lynch case, a case that originated in Georgia, the Supreme Court of the United States finally ruled that Government life insurance policies were contracts, and that the insured or beneficiary, as the case might be, had a contractual interest in them, and it was beyond the power of Congress to take away the right given to the insured or his beneficiary, although the Congress might change the remedy. But if the change of remedy amounted to a denial of the right, the legislative act under consideration was held to be faulty, the Court having found it did deny the right. So I do not think there is any question but that this interest, which represents an element entering into the determination of the dividend but is only a part of it, is properly included in the amount to be transferred to the fund. I think there is no doubt that the Administrator is proceeding to calculate it at the proper rate of interest and from the proper date.

Mr. SALTONSTALL. It is from the date of the death rather than from the date the amount is paid by the Government into the fund. Is that correct?

Mr. GEORGE. Yes; I think the Administrator is therein following the law faithfully; but it of course is a question the legislative committee of the Congress would have full time to go into before the dividends are disbursed. It is important to get the matter straight in the pending bill, so far as practicable, in order that the Administrator may be enabled to proceed with the calculations.

It is provided in a later amendment on the same page that no part of the fund shall be used to pay dividends on policies on which the Government itself paid the premiums. As I said a few moments ago, these premiums were paid by the Government as a part of the serviceman's compensation and then only while they were undergoing flight training. Before and after such period of actual flying training the serviceman had the premiums deducted from his pay on the very same policy on which the Government paid the premiums when he was in a flight training status.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. GEORGE. I am glad to yield.

Mr. O'MAHONEY. I may say that after the bill was reported by the committee, members of the committee had considerable discussion about the matter. It is a legislative amendment, but the members of the committee of whom I speak do not think it is of great importance. I shall have no objection, if the amendment is eliminated from the bill.

Mr. GEORGE. I should ask that it be disagreed to.

Mr. O'MAHONEY. Yes.

Mr. GEORGE. I would not make the point of order, so as to jeopardize the bill.

Mr. SALTONSTALL. Mr. President, will the Senator yield for one more question?

Mr. GEORGE. I yield.

Mr. SALTONSTALL. Has the Senator completed his statement?

Mr. GEORGE. I think I have completed it.

Mr. SALTONSTALL. Then, as I understand the Senator from Georgia, for whose judgment I have profound respect, he believes the committee in charge of the independent offices appropriations bill should not give weight to the Comptroller General's letter in criticism of the Veterans' Administration upon the two points in question. Is that correct?

Mr. GEORGE. I would not put it in just that way. I would say, if weight is to be given to it, the appropriate legislative committee of the Congress will have ample time in which to look into the question thoroughly and to recommend legislation, if legislation is indicated or necessary. But I am inclined to think the Veterans' Administration has properly interpreted the law and is properly applying it.

Mr. SALTONSTALL. I agree with the Senator from Georgia. Certainly we do not want to do anything to prevent the calculation or the payment of the dividend the first of the year. But the question which was in my mind, brought out by the Comptroller General, was as to whether the entire $210,000,000 of interest would ultimately be due. We know, of course, some of it will become due at some time and will have to be paid by the Government into the fund. But the only question in my mind was, whether all of it would become due, and if all of it would not become due, and the dividend could be paid and the funds remain intact, whether it would be wise to hold it up until next year.

Mr. GEORGE. I do not think it would be wise. My considered judgment is that the entire amount is a liability to the fund which the Congress must necessarily pay into the fund or make up, and it should be done now. In fact, the whole amount was due July 1, 1949. It should be immediately appropriated because it enters into the calculation of the total dividends which will be distributed to the veterans.

I say that, Mr. President, after some considerable investigation of the subject, because my first impression was that it was more or less in the nature of a permissive authority vested in the Administrator and that it was a benefit to the veterans never contemplated by the veterans themselves. But it is not a permissive authority, as appears upon a careful examination of the act dealing with this whole matter. It is something the Veterans' Administrator was obliged to do in order to carry out his duty and this appropriation is necessary to keep this fund in a healthy condition. In other words, in order for the fund directly to represent its true condition and take care of all the reserves and all the contingent liabilities the fund requires that the Government meet its obligations fully and on time just as it requires the insureds to pay their premiums timely.

Mr. SALTONSTALL. Mr. President, will the Senator further yield?

Mr. GEORGE. I yield.

Mr. SALTONSTALL. If the Senator from Georgia has made a study and is satisfied, then I, for one, certainly believe that the Subcommittee on the Independent Offices appropriation bill should give weight to his judgment and should not take a chance, so to speak, on the integrity of the fund by failing to appropriate the amount which the Comptroller General's suggestion would lead us to believe would be sufficient at this time.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. O'MAHONEY. I desire to call attention to the statements contained in the report of the Comptroller General. These appear on page 7 of his mimeographed letter.

May I ask, Mr. President, that this document may be made a part of the RECORD, together with the response to the letter by Mr. O. W. Clark, Deputy Administrator of the Veterans' Administration, who takes the position of the Senator from Georgia.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, July 15, 1949.

The Congress:

There recently has been submitted to the Congress a communication transmitting revised estimates of appropriation for the fiscal year 1950 involving a net increase of $239,399,000 for the Veterans' Administration in the form of amendments to the budget. (S. Doc. No. 78, May 20, 1949.) One segment of this revised estimate consists of an appropriation increase of $412,590,000 for the national service life insurance appropriation which was explained in letter of the Director of the Bureau of the Budget, dated May 18, 1949, as follows:

"The Veterans' Administration has now completed studies relative to the excess mortality cost traceable to the extra hazard of military or naval service where life contingencies are involved, as authorized by the

National Service Life Insurance Act, as amended. The additional amount required to be transferred from the national service life insurance appropriation to the national service life insurance trust fund in this connection is $202,170,000, and there must also be provided an amount of $210,420,000 to cover interest which would have been earned by the fund if it had been possible to make all reimbursements on time."

The Congress approved a similar request, involving $300,000,000 (not involving payment of interest, however) in the First Deficiency Appropriation Act of 1947 (61 Stat. 62). Accordingly, a total of $712,590,000 is involved in the matter being brought to your attention by this report. This sum is analyzed as follows:

A. The amounts estimated by the Veterans' Administration as being needed to reimburse the NSLI fund for extrahazard (that is, war) death claims where settlement options selected result in a need for a principal sum that on the average, actually exceeds the face of the insurance policies involved:	
Approved in the First Deficiency Appropriation Act of 1947 (61 Stat. 62)	$300,000,000
Request now pending before the Congress (S. Doc. No. 78)	202,170,000
	502,170,000
B. The amount of interest as estimated by the Veterans' Administration which would have been earned by NSLI fund from date of death in individual extrahazard cases to date of transfer of the money from NSLI appropriation to the NSLI fund (S. Doc. No. 78)	210,420,000
Total	712,590,000

As to part A:

In brief summary, a perhaps unintended defect in the law relating to cases where the beneficiaries select a life income settlement results in the payment of about 15 percent more than the face amounts of their policies. This is because the law calls for the use of an outmoded mortality table which does not reflect actual current experience. While the amount of each monthly payment is figured from the table, the comparative longevity of the beneficiaries results in many more payments, in the average case, than the table was based upon. In practice, therefore, the Veterans' Administration must set aside and put out at interest in each case about $1,153 for each $1,000 of insurance bought, paid for and matured. The actual effect is to discriminate in favor of cases where the beneficiary selects a life income instead of a lump-sum payment, to reduce the dividend otherwise due other policyholders and (in the cases of deaths due to war hazard) to charge the appropriation excessively.

The situation which has resulted in the current request for $202,170,000 and the earlier request for $300,000,000 for the NSLI appropriation was created by a defect in section 602 (e) of the NSLI Act, which provided for use of the same mortality table for calculating premiums and annuities, and did not prescribe a modern and more accurate annuitants' table for calculating annuities for male and female lives.[1] Section 602 (e) requires use of the American Experience Table of Mortality (with interest at 3 percent) in all insurance calculations under the act. The act provided for settlement options involving life contingencies (that is, payments at a fixed rate for the lifetime of the beneficiary) thereby creating an immediate need for appropriate annuity tables for male and female lives, based on current mortality experience with annuitants. Since the act provided for only one table in all calculations, namely, the American Experience Table of Mortality, and that without distinction between male and female lives, such obsolete table of mortality has been used in calculating settlement options involving life contingencies. The effect of such use of the American Experience Table is to select a monthly income rate for life based on a table that reflects a higher mortality rate than the current experience, thus resulting in paying out to beneficiaries over the years a sum (exclusive of interest) greater than the face[2] of the policies being settled. The amount of such excess above the face of the matured policies is determined by relating the monthly income rate, determined on the basis of the American Experience Table of Mortality and 3 percent per annum, to the lower mortality rate shown in the approved National Service Life Insurance Beneficiary Mortality Table which assumes a much lower mortality rate than is assumed in the 1937 Standard Annuitants Table. A brief comparison is given as follows:

Rate of mortality per thousand

Age	American experience table	NSLI beneficiary mortality table		1937 standard annuitants table	
	Male and female	Male	Female	Male	Female
30 years	8.43	1.73	1.42	2.07	1.56
35 years	8.95	2.43	2.38	2.98	2.07
40 years	9.79	3.75	3.57	4.36	2.98
45 years	11.16	5.33	4.42	6.36	4.36
50 years	13.78	7.71	5.42	9.29	6.36

By using the NSLI beneficiary mortality table to calculate the Government's liability, the cost to the Government is even greater than it would have been if the 1937 standard-annuitants table had been used. Also, it is estimated that policies settled under the NSLI beneficiary-mortality table receive an additional amount equal to an average of 15.3 percent above the face amount of the policies. In other words, on a policy of $1,000 the Veterans' Administration pays out of the fund a principal sum of $1,153, plus interest on that sum.

Since the Government bears the cost of extra hazard deaths (sec. 607 (b) of the act) by transfers from the NSLI appropriation to the NSLI fund, it now appears that this extra 15.3 percent above the face amount of such policies is likewise to be borne by the Government because of the obsolete mortality table authorized for use under section 602 (e) of the act for settlements with beneficiaries. This situation develops when recognition is given to a need for transferring more money into the NSLI fund than the face of the policies involved, to avoid having the fund bear a portion of the extra hazard costs as it assumes the liability for the monthly income to the beneficiaries. The monthly income rate to the beneficiary is based on one mortality assumption (American experience table without adjustment for current experience and without adjustment for male and female lives), but such monthly income rate actually will continue for a much longer period of life than is assumed in the American experience table of mortality.

In summary, one table (American experience table of mortality) sets the monthly rate to be paid to the beneficiary but another table (the NSLI beneficiary mortality table) estimates the number of years the beneficiary will be paid such rate, thereby determining on extra hazard cases the liability of the appropriation to the fund. Such liability, in all instances, exceeds the face amount of the policy.

The amount transferred from the NSLI appropriation to the NSLI fund from October 1, 1940, to October 1, 1948, to cover the face amount of matured policies, on death claims determined by Veterans' Administration to be due to the extra hazard of military and naval service is $3,278,575,601. It is estimated by the Veterans' Administration that the additional amount required to reimburse the fund for the excess payments referred to (when the above claims are valued on the mortality table approved by the Administrator pursuant to section 607 (b) of the act) is $402,170,000 (approximately 15.316 percent of $3,278,575,601).

The Veterans' Administration has estimated the average at 15.316 percent but to be more specific there are given below certain examples prepared by the Veterans' Administration:

Female beneficiary age—	Amount of monthly income provided by each $1,000 of insurance under option 3 (American Experience Table, sec. 602 (e))	Value of income on prescribed mortality table, section 607 (b)
30 years	$3.97	$1,169.67
50 years	5.39	1,227.94
70 years	8.51	1,211.89
80 years	9.55	1,086.62

The use of the American Experience Table of Mortality for calculating settlements involving life contingencies on non-extra-hazard cases results in the NSLI fund bearing the excess average cost of 15.316 percent of such non-extra-hazard cases also. Accodingly, the beneficiary in either extra-hazard or non-extra-hazard cases who receives a settlement under option 1 (lump sum settlement) receives the face amount of the policy, while other beneficiaries selecting life income options receive more than the face amount of the policy. This arrangement appears to create an inequity between beneficiaries selecting lump sum settlements and those selecting settlements involving life contingencies.

A revision of section 602 (e) of the act as it applies to future settlements on a life

[1] In the case of annuities it is necessary to distinguish between male and female lives because the mortality rates among females are much lower than among males and because a much more substantial proportion of annuities issued are on female lives than is true in the case of life insurance. It has been found, however, that the difference between the mortality of male and female annuitants can be represented with sufficient accuracy by taking for females the male mortality rate for an age 4 or 5 years younger.

[2] Hereinafter, when reference is made to the "face of the policy," it is to be interpreted as meaning "the face of the policy, less the reserve." The reserve on these policies is nominal in amount as most of them are 5-year term policies.

contingency basis appears to be the area for possible remedy. There should be provisions for using the same annuity table, a modern annuitants table reflecting current mortality among male and female annuitants, under the authority of both sections 602 (e) and 607 (b). Such consistency in the initial act would have made unnecessary the prior appropriation of $300,000,000 and the current appropriation request of $202,170,000. Accordingly, the following statutory language is recommended as a remedy for the mortality table problem as it relates to the future:

"Section 602 (e) of the National Service Life Insurance Act of 1940 (54 Stat. 1009) is hereby amended by adding at the end thereof the following: *'Provided,* That with respect to insurance re-instated or purchase on or after the date of this amendment, any calculations involving life income settlements or annuities on such policies that mature, shall be made on the basis of an annuitants mortality table approved by the Administrator of Veterans' Affairs, with inteerst at the rate of 3 percent per annum, which shall reflect current annuitants' mortality experience on male and female livcs: *And provided further,* That with respect to these policies, later maturing by reason of the extra hazard of military or naval service, there shall be transferred from the national service life insurance appropriation to the national service life insurance fund, pursuont to section 607 (b) hereof (54 Stat. 1012), the face amount of the policy less the related reserve.

As to part B:

There also appears to be need for review and consideration of the question as to whether or not there now exists a legal liability on the part of the Government under the NSLI Act of 1940, to appropriate the requested amount of $210,420,000 (S. Doc. No. 78), particularly since the Government has borne the cost of administration in connection with the insurance program, and the NSLI fund has been invested in 3-percent interest-bearing obligations of the Government, whereas the average interest rate for interest-bearing obligations of the United States is only about 2.2 percent.[3] The $210,420,000 represents estimated loss of interest earnings due to varying delays in making transfers from the NSLI appropriation to the NSLI fund of the face amount ($3,278,575,601) of the insurance on deaths traceable to the extra hazard of military or naval service and the additional delay in transferring the excess value ($502,170,000) of the benefits over the face amounts on all extrahazard cases. Unless specifically provided by law, it has been the policy of the Government not to pay interest to creditors on sums not promptly paid to such creditors. (See for example the letter of June 4, 1813, by the then Comptroller of the Treasury and the committee report thereon, 26 Annals of Congress 794, and see also *United States* v. *North American Co.*, (253 U. S. 330).) In view of such policy, the failure of the act to require the payment of such amounts and the fact that the fund apparently has a surplus of approximately $2,800,000,000, serious doubt would appear to exist as to the propriety of the appropriation of such sum or the need therefor. Furthermore, it is understood that the Veterans' Administration proposes to calculate the estimated loss of interest earnings from the date of death, making no allowance whatsoever for a reasonable average time in which transfer of moneys should or could have been made from the appropriation to the fund. I have serious doubt that this class of obligation against the NSLI appropriation was ever contemplated in the original framing of the act or in the subsequent amendments thereto. If, however, it be the purpose of the Congress to adopt a policy of bearing even this ultimate and rather refined element of the cost of the extrahazard cases (possibly in line with the language of sec. 607 (a)), it would be necessary to amend section 607 (b) and change the measure or formula for the transfer of funds by adding (after the first sentence) the words: "plus interest, at the rate applicable to moneys in the fund, from the date of maturity to the date of transfer." Whether, as a matter of policy, that change should be made is not a subject upon which I feel called upon to make a recommendation, but I am convinced that without such change the present law does not call for this item to be borne by the NSLI appropriation.

In view of the extra costs developed on the basis of an obsolete mortality table for annuitants; the high interest rate paid on the invested fund; the administrative expenses being borne by Federal appropriations; the forthcoming special dividend payments of possibly $2,800,000,000; and the substantial implication of such factors on the Federal budget, the matters involved are deemed of sufficient importance to be brought to the attention of the Congress.

Respectfully submitted,

LINDSAY C. WARREN,
Comptroller General of the United States.

VETERANS' ADMINISTRATION,
Washington, D. C., July 20, 1949.

Hon. KENNETH MCKELLAR,
Chairman, Appropriation Committee, United States Senate, Washington, D. C.

DEAR SENATOR MCKELLAR: I have been furnished a copy of a communication addressed to the Congress by the Comptroller General of the United States under date of July 15, 1949, in which he comments on, and makes certain recommendations including amendatory legislation covering the basis for computing modes of settlement under national service life insurance, and the matter of interest on amounts due the national service life insurance fund because of excess mortality due to the extra hazards of military or naval service.

The provision of the law directing the utilization of the American experience table of mortality for calculating annuity payments to beneficiaries on national service life insurance was purposeful and had as its object the making available of annuities to beneficiaries on a basis similar to that granted under the United States Government life insurance program. It was very carefully considered before its adoption. As a matter of national policy it was deemed important that the payment of this insurance should be in installments over the whole period of life rather than in one sum. This mode of settlement was deliberately made advantageous and attractive as an inducement to the acceptance of this type of settlement. As indicative of the congressional attitude in this regard, payments in this form for beneficiaries thirty or more years of age were statutorily compulsory during the war period, and until the passage of the amendatory act of August 1, 1946. Such a method of settlement was adopted so as better to fit it in as an integral part of the veterans' benefit system.

As to any policies outstanding, since the mode of settlement is a part of the contract, obviously it could not be altered except by mutual agreement and the Comptroller General appears to recognize that fact but his letter suggests that as a condition precedent to the reinstatement of any policy that has lapsed the contract terms be modified as to the settlement provision. The right of reinstatement carries with it the right to put back in force the old contract and not one that has been reformed by the insurer. The courts have held in connection with the reinstatement of United States Government life insurance that it is not a novation, and unquestionably would so hold as to national service life insurance.

There is absolutely no basis for the charge of discrimination against beneficiaries receiving lump-sum settlements, since the opportunity of receiving a life annuity is open to every beneficiary and no one is obliged to receive insurance paid as a death settlement in one lump sum, except when the installments would amount to less than $10,000 if made over a 12-month period.

But even as to new policies under a prospective amendatory act, I am opposed to any change which would diminish the amount of benefits payable to annuitants, or which will encourage any insured or beneficiary to select a settlement in one lump sum rather than in installments over the whole period of life.

The Comptroller General raises a question as to whether or not there now exists a legal liability on the part of the Government under the National Service Life Insurance Act of 1940, as amended, to appropriate the sum of $210,420,000 to cover the estimated loss of interest earnings to the national service life insurance fund because of delays in transfers from the national service life insurance appropriation to the fund of the difference between the reserve and the present value of insurance where the liability due to the extra hazards of military or naval service is assumed by the Government.

The original act (sec. 602 (c)) required all calculations to be based upon the American Experience Table of Mortality with interest at 3 percent. It was determined, as a result of experience and actuarial studies that on extra hazard of military and naval service cases the requirement of the fund for the liability of the Government for the difference between the reserve and the present value of the insurance where refund life annuities were elected would be insufficient if said table were used and hence would improperly drain the trust fund. The Veterans' Administration recommended and the Congress enacted an amendment to section 607 (b) of the act reading:

"Where life contingencies are involved in the calculation of the value of such benefits of insurance heretofore or hereafter matured, the calculation of such liability or liabilities shall be based upon such mortality table or tables as the Administrator may prescribe with interest at the rate of 3 percent per annum."

There was no misunderstanding of the intent and effect of such amendment. The Report No. 1705, Seventy-ninth Congress, second session, to accompany H. R. 6371 said:

"Section 11 of the committee amendment amends section 607 (b) of the National Service Life Insurance Act of 1940, as amended, to authorize calculations of the value of life contingencies and liabilities thereunder to be based upon such mortality table or tables as the Administrator may prescribe with interest at the rate of 3 percent per annum. Experience has demonstrated that the American Experience Tables of Mortality are inadequate for calculations of liability involving payment of life annuities and that such calculations should be based on some other table if the amount transferred from the national service life insurance appropriation to the national service life insurance fund under the provisions of section 607 (b) is to be sufficient to reimburse the national service life insurance fund for the liability in case the death of the insured results from injury or disease traceable to the extra hazard of military or naval service."

The United States Government is here acting in two roles, as a trustee, and in the capacity of sovereign. Certainly it should not exhibit a lower standard in dealing with itself as a trustee than would be expected and required of an individual in similar circumstances. If there can be said to be any

[3] An interest difference to date of over $148,000,000.

fault for the transaction not sooner being consummated, it obviously attaches to the Government and not the policyholders. Therefore, should such a situation serve to penalize the policyholders and divest them of that which is rightfully due them? It appears to me that they have every right as veterans, and especially since in this instance the Government is also acting in the role of trustee, to expect their interests honorably to be safeguarded. The entire purpose of this reimbursement is to make whole the national service life insurance fund and save it from any losses traceable to the extra hazards of military and naval service. That principle is so plainly stated in the law, and is of such long standing as to be incontrovertible as the policy of the Congress, and as a part of the contracts of insurance. In administering the trust under national service life insurance interest is a very important element and is responsible in a large measure for the favorable installments and other benefits payable. A goodly portion of the amounts received by beneficiaries as monthly installments is represented by the interest factor. The fund in making payments to beneficiaries on behalf of the Government in the extra hazard cases includes interest in calculating the installments payable. All that the interest item here under discussion does is to pay to the national service life insurance fund an amount sufficient to permit the Government to carry out its specific statutory promise not to burden policyholders with any losses traceable to the extra hazard of military or naval service. Assuming but without admitting that there may be technicalities or methods by which the Government might escape its obligations, it is incomprehensible to me that the Congress would ever want to place itself in the position of breaking faith with its veterans and their beneficiaries by repudiating a clear promise, amounting to a plain moral if not indeed a legal duty.

As to the allusion to the average interest rate for obligations of the United States being 2.2 percent, may I point out that for the most part the deposit element of the policyholders' equities represents long-time investments and the 3 percent interest received by the National Service Life Insurance Fund is not out of line with that paid on Government savings bonds held to maturity.

I believe that for the Government of the United States now to attempt to evade its obligation under these contracts would not only be of questionable constitutionality but would be unconscionable and disingenuous. Such an avoidance of an obligation, voluntarily assumed, to be sure, but not without adequate consideration, if practiced by an individual or a private insurer, assuming it could be legally accomplished, would be put in no other category than that of sharp practice.

Finally, the letter questions the table adopted by the Veterans' Administration under the discretion vested in the Administrator by section 607 (b) as amended by the act of August 1, 1946, supra. The very purpose of the amendment recommended by the Veterans' Administration and enacted into law was to reimburse more nearly adequately the trust fund for liabilities of the Government. The table adopted was constructed with the advice of actuaries of international reputation and wide experience and was deemed the most accurate one for the purpose of measuring such liability; to adopt another table at this date could be justified only on a clear showing of error.

I consider it my duty to bring to your attention the above facts.

Sincerely yours,

O. W. CLARK,
Deputy Administrator for and in the absence of the Administrator.

Mr. O'MAHONEY. Mr. President, I desire to call attention to the fact that in the view of the Comptroller General there is a desirability for a review of the question whether there is a legal responsibility on the part of the Government under the National Service Life Insurance Act to make this appropriation of $210,420,000 submitted in the budget estimate to cover the interest. The Comptroller calls attention to the fact that this interest is at the rate of 3 percent. Mr. Clark called attention to the fact that the report of the committee which submitted the original law referred to 3 percent interest; but it appears that the average rate of interest on Government securities is only 2.2 percent. So this appropriation of approximately $210,000,000 is $148,000,000 more than the average rate of interest which is paid upon Government obligations. The Comptroller says that in view of the fact that there is a surplus of approximately $2,800,000,000 in the fund—and I now directly quote him—

Serious doubt would appear to exist as to the propriety of the appropriation of such sum or the need therefor. Furthermore, it is understood that the Veterans' Administration proposes to calculate the estimated loss of interest earnings from date of death, making no allowance whatsoever for a reasonable average time in which transfer of moneys should or could have been made from the appropriation to the fund.

My thought in calling this item to the attention of the Senate is that if the reduction is made, the conference committee could go fully into the question. Of course, in the meantime, the Finance Committee, the Ways and Means Committee of the House, or the Veterans' Committee——

Mr. GEORGE. The Veterans' Committee.

Mr. O'MAHONEY. The Veterans' Committee would have ample time to be in position to make reports to the Senate and the House.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. FERGUSON. Is it the contention of the Senator from Georgia that the act specifically provides for the payment of this interest?

Mr. GEORGE. Yes; it does.

Mr. FERGUSON. I have read the letter of the Comptroller General and I thought he had come to the conclusion that there was very serious doubt and that there probably should be covering legislation to authorize this particular payment.

Mr. GEORGE. The amendatory legislation specifically provides for interest at the rate of 3 percent being paid in connection with amounts being transferred to the fund to reimburse it for extra hazard losses. If interest were not included, the Government would not be fully meeting its obligation.

I think the Comptroller General was wrong in thinking that this section does not authorize interest. Let me read it from the act of August 1, 1946, which was passed after due deliberation by the Senate Finance Committee and which also had considerable study by the Veterans Affairs Committee of the House. It contains this provision:

Where life contingencies are involved in the calculation of the value of such benefits of insurance hertofore or hereafter matured, the calculation of such liability or liabilities shall be based upon such mortality table or tables as the Administrator may prescribe—

Here is the important provision—

with interest at the rate of 3 percent per annum.

This provision was deliberately made a part of the act. The original act itself had provided for a 3-percent-interest allowance to the insurance fund, but on August 1, 1946, in an act which involved the rewriting of a great many of the provisions of the National Service Life Insurance Act of 1940, this express provision was included. It was a deliberate inclusion, and I fail to see how the Administrator could, in calculating the solvency of the insurance fund, do anything other than include interest if the Government's agreement to bear all losses traceable to the extra hazards of military and naval service is to be carried out.

Mr. FERGUSON. I was wondering whether the act provided that the Government should pay to the insurance fund the amount plus 3 percent. I think that was the matter about which the Comptroller General was speaking. The question was whether it was provided that the beneficiary should be paid from the insurance fund the amount plus 3 percent.

Mr. GEORGE. I think the Comptroller General did have something like that in view; but the only way to keep the fund solvent, and the only way the Administrator himself can know as to the solvency of the fund is faithfully to follow the law. So the act expressly requires him to calculate the interest at 3 percent. Of course the Government, paying into the fund this amount of money, might say that the average rate has been so and so; but the right of the insured has matured.

I called attention to two cases. The first one was the case of White against the United States, in which it was held that these insurance policies were contracts. The other was a case which originated in my own State of Georgia, Lynch, Wilner against the United States, 292 United States 571. It went to the Supreme Court of the United States, where it was expressly held that these insurance policies were contracts and that Congress did not have the power to take away the right of the insured, or of the beneficiary, as the case might be, although it might deal with the remedy given to him. In the latter case it was held that the insured was entitled to take under the policy because it was a contract, and that the insured had the rights of a contractor.

Mr. FERGUSON. I think that is good law, and it is as it should be. But I wondered if it was not true, that rather than pay this interest now, when there is no absolute provision for the payment of interest, it would be better to pass substantive law authorizing the payment, so that we would not establish a

precedent under which various agencies might start to pay interest on debts from the United States Government to third persons, when no interest was provided for in the statute. In certain income tax rebates we have provided by statute that a percentage of the interest, even as much as 6 percent, should be paid, and in a case like this, if we are not careful we will establish a precedent whereby the different agencies, without coming to Congress, will start to pay interest on any indebtedness of the United States Government. I think we should be careful about that, and pass an act authorizing this specific interest. Then we could take care of it by a deficiency bill, or in a supplemental bill. I am all for keeping the fund solvent. I think it should be kept solvent.

Mr. GEORGE. In my opinion we would not be creating any precedent because it is my judgment that the law very specifically authorizes the payment of this interest. I went into that question before the Senator came into the Chamber, and suggested that in order to distribute dividends next year it is necessary for calculations to be made now on all policies. It must be borne in mind that in the neighborhood of 20,000,000 policies were issued from the beginning of the operation of the act in 1940. There are now about 7,000,000 policies outstanding, payable to perhaps more than 6,000,000 people, some holding more than one policy. The total number of policies must be taken into account by the Administrator if he is to make proper distribution of dividends. In other words, he has to calculate the exact amount due to each insured, or, in the case of the death of the insured, to his beneficiary.

Let me read the Senator an excerpt from the National Service Life Insurance Act of 1940, as amended:

SEC. 604. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this part, to be known as the national service life insurance appropriation, for the payment of liabilities under national service life insurance. Payments from this appropriation shall be made upon and in accordance with awards by the Administrator.

Then this is provided:

SEC. 605. (a) There is hereby created in the Treasury a permanent trust fund to be known as the national service life insurance fund. All premiums paid on account of national service life insurance shall be deposited and covered into the Treasury to the credit of such fund, which, together with interest earned thereon, shall be available for the payment of liabilities under such insurance, including payment of dividends and refunds of unearned premiums. Payments from this fund shall be made upon and in accordance with awards by the Administrator.

Then a further provision:

(b) The Administrator is authorized to set aside out of such fund such reserve amounts as may be required under accepted actuarial principles, to meet all liabilities under such insurance; and the Secretary of the Treasury is hereby authorized to invest and reinvest such fund, or any part thereof, in interest-bearing obligations of the United States or in obligations guaranteed as to principal and interest by the United States, and to sell such obligations for the purposes of such fund.

Then the further provision:

SEC. 607. * * *.

(b) Whenever benefits under such insurance become payable because of the death of the insured as the result of disease or injury traceable to the extra hazard of military or naval service, as such hazard may be determined by the Administrator, the liability for payment of such benefits shall be borne by the United States in an amount which, when added to the reserve of the policy at the time of death of the insured, will equal the then value of such benefits under such policy. Where life contingencies are involved in the calculation of the value of such benefits of insurance heretofore or hereafter matured, the calculation of such liability or liabilities shall be based upon such mortality table or tables as the Administrator may prescribe with interest at the rate of 3 percent per annum. The Administrator is authorized and directed to transfer from time to time from the national service life insurance appropriation to the national life insurance fund such sums as may be necessary to carry out the provisions of this section.

In the act of August 1, 1946, itself the rate of interest is specified at 3 per cent per annum.

So, Mr. President, my statement is largely for the purpose of asking that there be no reduction in the amount going into this fund which covers the interest. A subsequent provision the distinguished Senator from Wyoming has already indicated he would withdraw because it is definitely legislation, but I stated to him that I would not make the point, but only ask that the provision be stricken, because it does change the law, and it changes it in a way in which Congress would have no authority to change it.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. SALTONSTALL. Perhaps this is reiteration, but at the risk of reiteration let me say that the Senator has just read the law, and he stated that the law specifically provided for 3 percent interest. But it is not yet clear in my mind, if it is clear in the Senator's mind, that the law says that that rate of interest shall be paid from the date of the death, or the date when the money is paid by the Government on war casualty risks into the insurance fund. Do I make myself clear?

Mr. GEORGE. I think so. I expressed my belief that the Administrator was correctly following that course. But I had not quite completed what I intended to say to the distinguished Senator from Michigan, namely, that since no disbursement of dividends can be made from this fund until 1950, the appropriate legislative committees would in the meantime have opportunity to examine all the questions raised and to make suitable recommendations if it were found that in any respect the Administartor was disbursing funds in excess of the amounts which should be disbursed as dividends. The basic philosophy of the law is that the Government bear all losses due to the extra hazards of military and naval service. This whole item has to do exclusively with such losses. Actually to carry out its part of the contract the Government should have paid the money over to the fund when the fund became obligated to pay on the policy so that the fund could have immediately invested the money and thereby earned interest on it. The fund was precluded from so investing the money at interest because the Government was delinquent in making the transfer of funds. If this appropriation for interest which is now under consideration is made it will simply place the fund in the same position that it would have been in had the Government met its obligation when it was due.

Mr. FERGUSON. Mr. President, I hope the Senator will not press his point of order on the proviso at the bottom of page 61. It appears to the Senator from Michigan that, if a man has not paid in a premium, and the Government has paid it, where there is a dividend the Government should get the premium returned and the man who did not make the payment of premium should not receive it.

Mr. GEORGE. Mr. President, I am sorry I can not agree with the Senator in that regard. It seems to me that very clearly the Government took these policies for the aviation cadets, and they were the only class who were paid by the Government.

Mr. FERGUSON. That is correct in the case of aviation cadets.

Mr. GEORGE. Except a limited class of veterans who actually were killed in action or died in service before they had time to get their insurance. It was a mere gratuity, and of course there would be no dividends paid to their estates. Somtimes a man in service did not have ample opportunity to take out his insurance, perhaps it had not been explained to him, and in many instances thousands of young men, after being sent to the Pacific area, were soon in the front line, and they did not have proper opportunity after the outbreak of war and before being plunged into action to make application for insurance. We decided that in those instances the Government would give them minimum insurance policies. They were mere gratuities, and of course there are no dividends payable to their estates. But here is a provision in the law which I do not think we can overlook. I quote an extract from Public Law 698, Seventy-seventh Congress:

SEC. 5. Aviation cadets will be issued Government life insurance in the amount of $10,000, effective from the date of reporting for active duty, and premiums on such insurance shall be paid during the period of their active duty from current appropriations as provided in section 13 of this act. Upon discharge, release from active duty, or other termination of aviation cadet status, such insurance may be continued at the option and at the expense of the individual concerned.

I paraphrase from Public Law 698, Seventy-seventh Congress:

During the period of active duty aviation cadets will be issued Government life insurance in the amount of $10,000, the premiums of which shall be paid out

of current appropriations provided in section 13 hereof. Upon discharge or upon any completion of active duty aviation cadets will have the option of continuing such policies at their own expense.

In view of the fact that these policies were issued during the time the trainee was occupying the status of aviation cadet it seems to me this is a very clear obligation upon the part of the Government made to induce enlistments in that hazardous service, and that the men actually acted upon that inducement.

I remind the Senator from Michigan also that there cannot be more than from $10,000,000 to $20,000,000 involved at the outside out of a total of $2,800,000,000.

I think the language should be stricken for the reason I have already stated. If it is not stricken, all the Administrator can do is to go through some 20,000,000 accounts and try and pick out the five or six hundred thousand accounts on which the Government paid one or more monthly premiums, and adjust those policies upon which the Government itself paid any premiums. But it seems to me the Government obligated itself to give this insurance to the men who went into training as aviation cadets, and that it was a part of their terms of employment by the Government. That appears to me to be very clear. If that is true, the courts would finally decide that the Congress could not take away such a vested right. Then, and in such event, everything which would have been administratively done in carrying out the amendment would have to be undone and at great cost to the taxpayer.

So I hope the Senator from Michigan will allow this provision to be stricken, because it, along with the other provision with reference to the payment into the fund of interest, can be studied before any disbursements are made. In the meantime the Administrator would, of course, have completed his calculations and would be ready in 1950, but certainly not before late in January, to make actual disbursements of these dividends.

Mr. FERGUSON. Mr. President, I think the RECORD should be clear as to how the Senator from Michigan feels, and why he feels as he does respecting these two provisions. I shall speak about the last provision first. The Senator from Michigan has no desire whatever to impair the obligation of the contract between the Government and those who are insured. As I read the law it is clear that the repayment of a part of a premium to a veteran who never paid the premium, is simply not legally correct nor morally correct so far as the Government is concerned.

This is what happened: Those who were in charge of fixing the amount of premium on these policies used a certain mortality table. That mortality table was entirely wrong and fallacious. The Veterans' Administration now finds that it can return half or more than half of the premiums paid in by the insured. How such a mistake could have been made is difficult to understand, but that is what happened in these cases. Now the time has come when it is learned that the mortality tables which were used were wrong, and the Veterans' Administration finds in its fund an excess of money, and feels that it can repay it to those who paid the premiums. A part of the premiums were paid by the United States Government itself. The Senator from Michigan feels that the amount of the premium, if it was for 2 months or 3 months or 4 months, or for whatever period of time the premium was paid in, which was greater than was necessary to carry the policy for that length of time—and that is exactly what has now been discovered; the amount of money paid in for premiums was in excess of that necessary to carry the policy—should be returned to the person who made the payment on the policy.

In the case of these cadets the United States Government paid the premium. Therefore, for the length of time the Government carried the cadets—and as I understand the books are set up so it is not difficult to ascertain that length of time, because it can easily be ascertained what payments were directly made by the Government—the excess in premiums paid during that period of time should be returned to the Government. There is a possibility that it will amount to $50,000,000. The Senator from Georgia thinks the amount may be $20,000,000 or $30,000,000.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. O'MAHONEY. The Senator is talking about the second amendment, and not about the one which is now under consideration?

Mr. FERGUSON. Yes; I am talking about the second amendment, which is legislation.

As I understand the Senator from Georgia, he expects that there will be no payments made by the Veterans' Bureau until such time as the legislative committees could act, which would be in January or February of next year. But if the provision appearing at the bottom of page 61 and the top of page 62 is stricken from the bill, we have no assurance that in the meantime the amount will not be calculated and paid to one who never paid in a premium.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. O'MAHONEY. The Senator knows that in the first discussion of this matter I quite agreed with the Senator from Michigan in the committee. In fact, I offered the amendment for the purpose of making it unnecessary for the Government to pay dividends upon those policies on which the Government itself paid the premium. But further examination, upon representation of the Veterans' Bureau, and the reading of a case or two of law, made it clear that the payment of the premiums in the case of these cadets was made by the Government in compliance with the law, so that the Government under the law assumed the responsibility for paying the premiums. The payment of the insurance claims upon death to the beneficiaries, or the payment of dividends, when it is found that the premiums were excessive, result from contractual obligations under the decisions of the courts. It seems to be clear that the repayment is a part of the contractual obligation of the United States Government. Therefore, I became convinced that in the circumstances, since this is legislation, and since I originated the amendment, I would not object to the suggestion of the Senator from Georgia that the amendment be disagreed to.

Mr. FERGUSON. Has the Senator from Wyoming any particular case interpreting the statute to mean that these payments were by way of salary or by way of compensation?

Mr. O'MAHONEY. That precisely was the case, under the law. Because of the extra hazard undertaken by these aviation cadets, the Government agreed, as compensation to them for that extra hazard, to pay the premium.

Mr. FERGUSON. If the Senator from Michigan thought that this was compensation to the cadet, he would not want to breach that contract; but he did not so understand it.

Mr. GEORGE. Mr. President, I invite attention to the fact that even in municipal law there is no such thing as a volunteer in insurance. Benefits go either to the insured or to his named beneficiary; and one who voluntarily pays a premium never takes any interest in the policy by virtue of that fact alone. He must be the insured or he must be named as a beneficiary. So the United States Government would in any circumstances be a mere volunteer.

I invite the attention of the Senator from Michigan to this language in the law. I think it covers the case. This is taken from the act of April 15, 1935, Public Law 37, Seventy-fourth Congress, with reference to Government life insurance. I should like to read two excerpts. The first reads as follows:

Aviation cadets—

They are the only ones for whom the Government paid out anything.

Mr. FERGUSON. That is correct.

Mr. GEORGE. I read from the act:

Aviation cadets will be issued Government life insurance in the amount of $10,000, effective from the date of reporting for active duty, and premiums on such insurance shall be paid during the period of their active duty from current appropriations as provided in section 13 of this act. Upon discharge, release from active duty, or other termination of aviation cadet status, such insurance may be continued at the option and at the expense of the individual concerned.

Another quotation:

During their period of active duty aviation cadets will be issued Government life insurance in the amount of $10,000, the premiums on which shall be paid out of current appropriations as provided in section 7. Upon discharge or upon completion of active duty, aviation cadets will have the option of continuing such policies at their own expense.

It seems to me very clear that it was a part of their contract of service in this particular branch of the service, so long as the aviation cadet occupied a flight-training status. The policy went to him in recognition of the Government's assumption of the extra hazard of the particular service which he was called upon to render.

Mr. FERGUSON. Would the Senator say from reading that part of the statute that in case a cadet had been killed, we will say, after being in the service 3 months, 4 months, or 6 months, and his estate, or the beneficiaries in the policy had been fully paid and the contract closed, his estate is now entitled to this rebate or dividend?

Mr. GEORGE. I should say so, if there is a dividend. The dividend is in part made up of what was, in effect, a charge in excess of the amount which in the light of experience gained after the issuance of the insurance would have been adequate to carry the risk. We have learned much about longevity. Medical science has made great contributions in this war. As a result, the premium assumed by the Government, as a part of the aviation trainees compensation has been shown to be somewhat more than adequate. Nevertheless, when we write a solemn law and say, "This is what the aviation cadet is entitled to received," specifying the amount of the policy and specifically declaring that the Government is to carry the policy while he is in a training status, it seems to me that then he becomes entitled to whatever benefits the policy carries. The Administrator may not make this calculation on the basis of the payments made subsequent to the termination of the cadetship, so to speak.

Mr. FERGUSON. That is what the Senator from Michigan thinks should be done.

Mr. GEORGE. I should like to see the Administrator free to make calculations on a sound legal and actuarial basis so that starting next year he can make disbursements of dividends. I believe that the Veterans' Administration would have to calculate anything that accrued under a policy and pay it to the legal owner of the policy, who would be the insured, or in the event of his death, the beneficiary. I do not believe that the volunteer doctrine applies at all in the general field of insurance.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. WILEY. I have followed the argument of the distinguished Senator, and I think I agree with him. I wish to raise only one question. I came into the Chamber rather late, and I heard the statement of the Senator from Michigan [Mr. FERGUSON] as to premiums. I raise this question:

Assuming—as the view seems to be now—that the legitimate premium is $15, and by mistake I, a volunteer, pay in $30. Later it is discovered that the legitimate premium is $15. Where does the other $15 go?

Mr. GEORGE. I should say that it was a mistake or accident on the part of the party who paid it in, who owned it. But that is not this case. The Government itself said, "We will issue this policy for a stated amount. We will take care of the premium," and the policy was issued. Subsequently, after the cadetship ended and the commissioned officer went into service, he continued to pay premiums, and is now entitled to whatever dividends may be declared upon the policy. The Government made monthly payments of the premiums on the policies from the appropriations for the pay of the Army and the Navy which gives added force to the reasoning that these premiums constituted a part of the trainees' compensation.

Mr. O'MAHONEY. Mr. President, I have before me a copy of a letter which was written to the Senator from Georgia [Mr. GEORGE] by the Veterans' Administration. It was written to him as the chairman of the committee having legislative jurisdiction over this question. A copy of the letter was sent to me by Administrator Gray. I confess that the letter convinced me. The argument in the letter is set forth very cogently, and in very brief form. Administrator Gray says:

> But there is a more fundamental question—whether the Congress has the power to impound the dividends. That, of course, depends upon who owns them. If they belong to the United States, the language of the bill is apt, and the result is within the power of the Congress; if they belong to the insured, or the beneficiary in a matured policy, then the result would be a taking of property at least without just compensation and arguably without due process.
>
> It is my opinion the dividends are the property of the insured, or of the beneficiary; and the regulations of the Veterans' Administration, having the effect of law if not inconsistent with the statute, so held in accord with practice and precedent (both administrative and judicial) over many years. The reasons are:
>
> (a) The insurance policies are contracts (*White* v. *U. S.*, 270 U. S. 175);
>
> (b) The Government is bound by such contracts (*Lynch, Wilner* v. *U. S.*, 292 U. S. 571);
>
> (c) Congress, while it may change the means of enforcing (i. e., may withdraw the right to sue), may not constitutionally take away, or impair, the rights under such contracts (ibid.);
>
> (d) It has been held uniformly by the courts that the proceeds of insurance policies, including dividends, belong to the insured (or the beneficiary) even though the premiums were paid by a third party;

In the face of that, I felt that I should not object to the rejection of the committee amendment.

Mr. FERGUSON. Mr. President, I would agree with the Senator from Wyoming that if the payments were made as a consideration to the veteran, they should be returned to him, because he should not lose his consideration. But as the Senator from Michigan read the act providing for the issuance of this free insurance to the aviation cadet for a certain period, during the time when he was a cadet, when it was discovered that in the furnishing of insurance to the cadet the Government paid in an extra amount of premium not required to carry the policy for that length of time, the Federal Government rather than the veteran himself should get back that which had been paid in, unless it could be said that it was a consideration to him to induce him to join the service. If it was, then he should certainly get it.

However, I do not take the two citations which have been read as showing anything else than that the insurance was a contract, and that while we can take away the remedy, we cannot take away any substantive rights.

Mr. O'MAHONEY. It is a contract precisely because the free insurance, that is to say, the insurance upon which the Government paid the premiums, was given to the aviation cadet, and only to the aviation cadet, as a consideration for the extra hazard he was undertaking.

Mr. FERGUSON. The Senator from Michigan is not convinced up to this time that it was a consideration. If he came to that conclusion from the act, then there is no doubt that the veteran would be entitled to it.

Mr. O'MAHONEY. It involves clearly a matter of legislation, and for that reason, since the chairman of the committee which has legislative jurisdiction takes the very strong position whcih he does, which is the same position as that taken by the Veterans' Administration, I feel that we may very well reject the committee amendment.

Mr. FERGUSON. If the able chairman of the Finance Committee would in the meantime consider all ramifications of this matter and should come to the conclusion that legislation was essential in order to make sure that the Government got back the money, that would be one thing. But if it were to be determined that it was not essential and if the money was not paid out in the meantime—let us say not before we return here in the fall, at which time the legislative body could act on such legislation—then there would be no reason not to take it up then. Do I correctly understand that is what the chairman of the committee has in mind?

Mr. GEORGE. Yes; except that I wish to amend that by saying that I have in mind bringing it before the whole Finance Committee and there canvassing the matter very carefully, and probably having the Veterans' Administrator come before us, and probably having the Comptroller General come before us, because if this money does properly belong to the Government, we do not want to pay it out.

I do not know how long it will take to get action on this matter. That will depend on how long the Senate is in session. But of course no disbursements can be made until January. So that will provide ample opportunity to have this matter fully considered.

That is the reason why I object to the proviso.

Mr. FERGUSON. Under the circumstances, this being purely a legal proposition, and inasmuch as this is legislation on an appropriation bill, and therefore subject to a point of order, which can return the bill to committee, as we have discovered in the last few days, I have no objection to the deletion of this proviso from the bill.

Mr. O'MAHONEY. The Senator is referring to the committee amendment which begins in line 24, on page 61; is he not?

Mr. FERGUSON. That is correct.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that, out of order, that amendment may be considered at this time.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be stated.

The LEGISLATIVE CLERK. On page 61, in line 24, after the word "act", it is proposed to insert a colon and the following additional proviso: "*Provided further*, That no part of this fund shall be used to pay insurance dividends to any policyholder whose premiums were paid by the United States Government and that such dividends that may accrue shall be deposited in the Treasury as miscellaneous receipts."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment on page 61, in line 21, which has previously been stated.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, under the subhead "Independent Offices—General provisions," on page 65, line 16, after the word "agencies", to strike out the colon and the following additional proviso: "*Provided further*, That this section shall not be applicable to corporations or agencies subject to the Government Corporation Control Act, as amended."

Mr. WILLIAMS. Mr. President, there is pending a motion to reconsider the vote taken by the Senate on the committee amendment appearing on page 11, in line 9. I understood that it was expected that that motion would be called up after action on all the committee amendments is taken. However, some Members of the Senate will have to be away later in the day, and they have requested that the motion be taken up at this time, because a roll call will be required. I have conferred with the chairman of the committee about this matter, and he is agreeable.

Therefore, I ask unanimous consent that at this time, before action on the remaining committee amendments is completed, the Senate consider the motion offered by the Senator from Iowa [Mr. GILLETTE] and the Senator from Nevada [Mr. MALONE] to reconsider the vote by which the committee amendment on page 11, in line 9, was rejected.

Mr. O'MAHONEY. Mr. President, I understand that this probably will be the last yea-and-nay vote on any of the committee amendments. Therefore, I think it is desirable, in the interest of expediting action on the bill, that such unanimous consent be granted; and I hope it will be granted.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. WILLIAMS. Mr. President, I suggest the absence of a quorum.

Mr. O'MAHONEY. Mr. President, I join in suggesting the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Bridges	Chapman
Anderson	Butler	Chavez
Baldwin	Byrd	Connally
Brewster	Cain	Cordon
Bricker	Capehart	Donnell
Douglas	Kefauver	O'Conor
Downey	Kem	O'Mahoney
Dulles	Kerr	Pepper
Ecton	Kilgore	Robertson
Ellender	Knowland	Russell
Ferguson	Langer	Saltonstall
Flanders	Lodge	Schoeppel
Frear	Long	Smith, Maine
Fulbright	Lucas	Smith, N. J.
George	McCarran	Sparkman
Gillette	McCarthy	Stennis
Graham	McClellan	Taft
Green	McFarland	Taylor
Gurney	McGrath	Thomas, Okla.
Hayden	McKellaar	Thomas, Utah
Hendrickson	McMahon	Thye
Hickenlooper	Magnuson	Tobey
Hill	Malone	Tydings
Hoey	Martin	Vandenberg
Holland	Maybank	Watkins
Humphrey	Miller	Wherry
Hunt	Millikin	Wiley
Ives	Morse	Williams
Jenner	Mundt	Withers
Johnson, Colo.	Murray	Young
Johnson, Tex.	Myers	
Johnston, S. C.	Neely	

The PRESIDING OFFICER. A quorum is present. The question before the Senate is on agreeing to the motion to reconsider the vote by which the committee amendment appearing on page 11, line 9, was rejected.

Mr. FERGUSON. Mr. President, I assume the motion is debatable.

The PRESIDING OFFICER. It is.

Mr. FERGUSON. The amendment on page 11 of the independent offices appropriation bill relates to the Civil Service Commission. The House of Representatives placed in the bill the sum of $14,000,000 for salaries and expenses of the United States Civil Service Commission. The Senate Committee on Appropriations recommended an amendment increasing the amount to $16,250,000. A vote was taken by the Senate, and the Senate decided upon the sum of $14,000,000. In other words, it rejected the proposed increase of $2,250,000 and returned to the House figure.

It was a matter purely of personnel. The Commission had grown from 3,414 employees to 3,899, and the Bureau of the Budget proposed 4,069. In 1949 it had 4,178. If the Senate retains the House figure, the Civil Service Commission will have 485 fewer employees than it has at the present time.

Mr. President, there is a statute of the United States which prohibits any department from lobbying. Here is a case which is crystal clear as to what happened from the day the Senate of the United States acted on this amount of money. The Civil Service Commission has undertaken to lobby the Senate of the United States to restore the amount. Senators have been called from the floor by employees of the Civil Service Commission and told, in effect, that if the sum of money recommended by the committee is not restored certain employees will be discharged. That is not all that has been done. Senators of the United States have been called by persons back home in their States who were connected with the Veterans' Bureau, and have been told that disabled veterans would be discharged in the event the Senate of the United States does not restore this amount.

Should we expect such things from a bureau which is under the Congress of the United States? Should we expect that it would stoop so low as to threaten disabled veterans with discharge so that such disabled veterans would go to their Senators and try to have the amount restored to enable the Commission to operate as it feels it should operate and not as the Senate of the United States believes it should operate?

Mr. President, I do not suppose there has been a more flagrant case of lobbying in violation of the statute than is this particular instance. The Senate acted, and now we find that the heat has been put on. The whole question is, Can the Senate of the United States stand the heat from any pressure group? So far as the Senator from Michigan is concerned, it makes no difference whether the pressure group is a bureau of the United States Government or any other group, he is not going to allow the pressure to be put on him and to be threatened with the statement that disabled veterans will be discharged unless we restore this sum.

Mr. LONG. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LONG. Does the Senator actually know that specific employees were threatened with discharge unless the Senate restored this amount to the bill?

Mr. FERGUSON. The Senator from Michigan has been advised that Senators have been called from the floor—at least one Senator—and told that by an employee. Other Senators have advised the Senator from Michigan that they have received calls from their home States, from veterans, indicating that this sum had to go back into the bill, or disabled veterans would lose their jobs.

Mr. LONG. I will say that the Senator from Louisiana was approached by labor organizations, but I do not believe I have been approached by any representatives of the Commission itself. Does the Senator know that any representative of the Commission itself was contacting Senators in this connection?

Mr. FERGUSON. The Senator from Vermont can speak for himself on this subject.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. AIKEN. In the past few years we have seen an almost complete breakdown of the Civil Service Commission. I hope the Senator from Louisiana is in a position to do something about it. First, it was because of the war. The Commission was required to qualify long lists of persons overnight, and it broke down. The situation became so bad that the Hoover Commission, after a very complete study of the subject, has recommended that each Government agency hire and fire its own help, subject only to general qualifications and examinations by the Civil Service Commission.

I do not recall, Mr. President, whether I was present when the cut was made from $16,250,000 to $14,000,000. I will say, however, that the next day I received a call from an employee of the Veterans' Administration saying that they wished very much to have the amount restored, because if the cut stood, the Civil Service Commission planned to eliminate a large number of employees who were qualifying veterans.

In other words, they had been given to understand that if the cut stood, the Civil Service Commission would apply it where it would hurt the most, namely, on the veterans.

I received a telegram from one of the veterans' agencies in my home State, protesting this cut for the same reason. A few minutes ago I was called from the floor and found an employee of the Civil Service Commission waiting for me outside; in fact, there were two. One was a constituent. They asked to have the cut restored. I told them in no uncertain terms that they were violating the lobbying law, and I told them to go back and tell the Civil Service Commission that if it did not stop this lobbying the whole group should be impeached. Of course, the Senate cannot do that. I think it is a very contemptible proceeding to threaten the dismissal of men and women engaged in qualifying veterans unless the amount is restored to the bill. The evidence is very strong that the Civil Service Commission is back of this lobbying activity. In so doing it is violating the law which Congress has enacted. It has gone too far.

I am not inclined to divulge the names of the persons who have called me and talked to me. I am not the only Senator who has been called by an employee from his home State. The inference is that he might lose his job if we do not restore this sum.

Again I say it is a most contemptible proceeding, and the Civil Service Commission should be called to account for indulging in such practices. Certainly it should not have the amount restored after the activity to which it has reduced itself.

VETERANS' PREFERENCE

Mr. MALONE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MALONE. Mr. President, there have been some very grave accusations made here. I want to say that I do not fear so-called lobbyists. If a lobbyist representing the veterans has some information I do not have, I am glad to see him. If I am not competent to separate the wheat from the chaff and to terminate the conference without being unduly influenced, then I should not be here.

I joined in the motion to reconsider, for the reason that I know something about veterans' preference, and I am sincerely interested in it. I have not received any telegrams from home in connection with the matter. They probably know nothing about any action. I am glad to have information from anyone who has more information than I have. I do not fear lobbying on any matter. I think there may be some Members of the Senate who know that by this time. I have been here only 2½ years, but I vote as I think proper when the time comes, and I hope that I never have a closed mind on any important subject.

What veterans' preference means, if it means anything, is that when a veteran is fully qualified for a job he receives a certain advantage number of rating points. It means nothing, unless someone supervises it, as we all know, having learned the hard way.

Mr. President, I was State engineer of Nevada and Colorado River Commissioner in 1930 and 1931 when the Boulder Dam contracts for construction were being let. It is now called Hoover Dam. There were many veterans out of work at that time. I am the one who initiated the veterans' preference and insisted that such a clause be put into contracts let by the Secretary of the Interior. I say I insisted on it. I was told that if the veterans' preference was put into the contract they could not get bids from contractors. I said, "Let us try it." It was done and before we were 60 days on the job the contractors said they liked it. The American Legion and the Veterans of Foreign Wars took the brunt of it. I had been department commander and knew the veterans in the area. After 60 days it was said that if it had not been for the personnel supervision exercised by a representative of the veterans they could not have operated it as efficiently as it was operated. The veterans got the job when they were as well qualified as other applicants. We found also that unless there was supervision, the veterans' preference meant nothing.

Mr. President, we have had two other epidemics of economy in this country in the past 15 years. The first one was in 1934, when the veterans' compensation was slashed across the board without rhyme or reason. I did not agree with the method then, and I do not agree with it now; unless it is done in a businesslike way and people understand what they are doing, only hardship can result. The people did not understand it since it came under the guise of economy. The only place where there was any economy in 15 years up to 1949 was in the veterans' compensation cut across the board in 1934.

Recently we had a report from a man whom I greatly admire, ex-President Hoover. I knew him before he was President. I liked him then, and I like him now. But the only economy we have had since 1934 was in appropriations for veterans' hospitals. And there they did not make sense. It was a hasty ill-advised move not well thought out and I am against that kind of economy. I was against it when it was suggested, and I am against it now, unless it is handled in a businesslike way, so that we can know where the disabled veterans out of the 18,500,000 boys and girls are to be cared for. We have a veterans' hospital in Reno, Nev., and there are not anywhere near enough beds for the veterans who need them in the area served by that unit—we need another unit in southern Nevada—near Las Vegas. Distances are great out in the open spaces. My State of Nevada is nearly 600 miles by 400 miles wide.

Mr. President, my reason for joining in the motion to reconsider is that I have voted for all the economy suggestions that have been made, and I am still for economy, but I have looked into the pending matter, which I had not had the time to do previous to the first vote, and I ask my colleagues to think over what the reduction in the appropriation means to the veterans' preference set up by Congress if the system is not properly supervised.

Mr. President, there are in this country 18,500,000 veterans, men and women. They lost anywhere from 2 to 5 years from their civilian occupations or school. Some of them were injured, some were not. Some are crippled, but can handle certain available jobs.

According to the law which was passed by the Congress and signed by the President, every one of those veterans is entitled to a certain number of points of preference, according to the service he rendered. Unless there is proper supervision when the law is being carried out, we might as well wipe it off the books. There are many people in this country who would like to wipe it off or make it ineffective.

Mr. AIKEN. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I yield to the Senator from Vermont.

Mr. AIKEN. Does the Senator have any information showing that it is necessary to make this cut at the expense of the veterans?

Mr. MALONE. Yes; I have.

Mr. AIKEN. Does the Senator know that it is necessary to make a reduction in the provisions affecting the veterans? If he does, he has more information than I have after several months' work on the Hoover Commission.

Mr. MALONE. I do not understand the Senator. Will he repeat his statement?

Mr. AIKEN. I say, Does the Senator from Nevada know that it is going to be necessary to take this cut out of the veterans' appropriations?

Mr. MALONE. I know it is going to take money out of that part of the Civil Service Commission that holds examinations and the rating of veterans' preferences, and if it is taken out, proper hearings cannot be held by the central board. $1,750,000 is a part of the money that goes to such boards and includes the work for a veterans' preference.

Mr. AIKEN. I do not believe it is necessary to take one single person away from the list of qualified veterans work.

Mr. MALONE. If the Senator has more information, let us have it.

Mr. AIKEN. I think I have.

Mr. MALONE. Let the Senator put it in the RECORD.

Mr. AIKEN. There will be quite a lot of it.

Mr. MALONE. Put it in. There is room for it. The RECORD takes everything. I put my information in the RECORD and am ready to debate it.

Mr. AIKEN. Let the Senator from Nevada put his evidence in the RECORD that this cut would have to come out of the veterans.

Mr. MALONE. I have put it in the RECORD and explained exactly how it effects the veterans' preference.

Mr. AIKEN. It is not satisfactory.

Mr. MALONE. It may not be to the Senator; it is to me—$1,750,000 goes to the division including the boards holding the necessary hearings. If the Senator wants me to read some more of it, I shall read it, but I think it is all right here.

If there is information to the contrary I should be the first to vote against the provision. If the Senator has any information that it does not come out of the division containing the boards that hold the hearings. To reduce this appropriation would mean that each department would hold its own hearings on fitness and veterans' preferences rating, and it would mean two or three or four times the expense in the long run, over the method now in use.

It is easy enough to say more men will not be put on, but the Senator and I know they do put them on, and he and I know that deficiency bills are brought up every year, and are passed with very little comment.

Mr. WILLIAMS. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I yield to the Senator from Delaware.

Mr. WILLIAMS. Did I understand the Senator from Nevada correctly to say that $1,750,000 of this appropriation would go to the veterans?

Mr. MALONE. No; it goes to the Civil Service Commission, which conducts the hearings for all the devisions of the Government.

Mr. WILLIAMS. Does the Senator realize that what he is proposing to do is to put $2,250,000 back into this appropriation in order to give this particular project he favors $175,000?

Mr. MALONE. No; I do not think that is entirely correct.

Mr. WILLIAMS. According to the Senator's own figures, about 10 percent of this appropriation goes to take care of functions which he has described, and in which he is most interested. Based upon that, they are getting a cut of about $175,000. Therefore what the Senator is asking us to do is to restore to the appropriation $2,250,000 in order that the Civil Service Commission will not take $175,000 away from the veterans' functions.

Mr. MALONE. It is possible that I do not have all the information. It may be strictly true that it is also used to pay the salaries and expenses of all of the hearings including the veterans' division of the board supported by the $1,750,000. All the hearings held by the entire Civil Service Commission, which passes on this subject, may be financed by the million and three-quarters appropriation. Therefore the cut curtails the necessary work in this connection.

Mr. WILLIAMS. No; I agree with the Senator that it does not apply merely to the one subject, but the Senator himself said $1,750,000 of this whole appropriation goes to take care of the veterans' portion of the appropriation. That is about 10 percent.

Mr. MALONE. I did not intend it that way.

Mr. WILLIAMS. How did the Senator intend it? What the Senate did the other day was to cut the appropriation about 10 percent, which would mean, if the action were upheld and it were passed down the line, that it would be a cut of about 10 percent all through. In order to restore the $175,000 of the proposed cut, the Senator is asking the Senate to put $2,250,000 back into the fund, and the Civil Service Commission then will have an additional salary fund of a little over a million dollars.

Mr. MALONE. I do not understand that it operates that way. If we could earmark the $1,750,000, or the necessary amount, for the work, I would agree, but unfortunately it is not earmarked, and it is probably impractical to consider such procedure at this late date. In lieu of such centralized hearings and veterans' listings for all the departments, it is suggested in the report that each department of Government handle its own business, which would mean that for the entire country perhaps as many as 2,000 boards would be set up to hold such hearings. In other words, if a veteran in Nevada, or New Jersey, or Delaware, wanted a job, there would be about 150 boards in his area to which he would have to apply, but if it were centralized, as it now is, he would be taken care of by putting his application before one board, so that he would be available and be on the list, and he would not have to worry about 150 other boards, which he could not find in the first place and probably could not contact the proper person in the second place.

Mr. WILLIAMS. Did I understand the Senator correctly to say that the portion of this bill in which he is most concerned is that pertaining to the veterans' section?

Mr. MALONE. Mr. President, I am particularly concerned in the work the Civil Service Commission does in connection with the hearings affecting the veterans' preferences. I think it is impossible to isolate that item and say that numerous separate boards can be set up to hold the hearings particularly for veterans. The centralized board holding the hearings on the applications needs to hold them only in one place.

I have had particular experience, I may say to the Senator from Delaware, in the veterans' preference field over the years. I have also paid particular attention to the construction of veterans' hospitals since World War I. I have resented bitterly the 1934-across-the-board cuts on disabled veterans' compensation and the 1949 slash on veterans' hospitals with no public investigation or sense to them at all. I think the same situation applies now.

I do not think there is a Senator on the Senate floor who understood what he was voting for when the vote was taken. I admit I did not until I looked carefully into the matter. I bitterly resent it being said that a veteran does not have the right to call a Senator off this floor or come to his office and discuss the very subject in which he is most proficient—including disabled veterans' compensation, hospital capacity, and veterans' preference for work for his Government under a law passed by the Congress of the United States—personally, I am glad to have them come to see me.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. AIKEN. The Senator realizes, of course, that the cut in the veterans' hospitals was due to an Executive order issued by the President?

Mr. MALONE. I do understand that; but it was encouraged through the report that was made by a commission, and I do not like that.

Mr. AIKEN. But the President made that cut.

Mr. MALONE. I do not like it any more because he made it than if the Commission had made it directly. I simply do not like tinkering with it without proper hearings and investigation—it was set up in a day and it should not be upset in a few hours.

Mr. AIKEN. I do not think anyone objects to the use of any funds which are available to provide this service for veterans. I, for one, maintain that the Civil Service Commission can perform this function without taking the funds out of the veterans. I am resentful that they have apparently asked veterans to lobby for them and practically threaten them to lessen this service unless they get the cut restored. When they send those employees here to lobby—of course the employees say they were not sent, and it would not do for them to say they were sent—they are asking such employees to violate the law. It is possible to furnish this service to the Veterans' Administration with the money which is made available. They do not have to take the money out of the veterans. But they are following the practice of other Government agencies when their appropriations are cut, by applying the cut where it will hurt most. I am perfectly willing to earmark a part of this money, a sufficient part of it, to perform this service for the veterans, if the Senator from Navada will feel any better about it, because the money can be saved elsewhere.

Mr. MALONE. Mr. President, it requires a long time for an expert to make a watch—but a very short time for an amateur to destroy it. I should like to ask the Senator a question in my own time. My information is that these hearings are held by the Civil Service Board; that the veterans preferences and the veterans' applications are handled by the veterans' division of the Civil Service Board. This is a centralized agency. I agree that the veteran should not have to go to 175 boards in the Senator's State or in my State or in any other State to put in his applications, and chase these fellows all over the country, because there are a lot of them who were too busy to go to any war, and they bitterly resent the veterans' preference. I have worked to nullify it since the Congress set it up. I ask the Senator if he does not know that what I have said is a fact at this time.

Mr. O'MAHONEY. Mr. President, I wonder if the Senator——

Mr. MALONE. I will yield to the Senator from Wyoming in a minute. I have asked a question of the Senator from Vermont and I should like to have it answered.

Mr. AIKEN. How that work is done at this particular time I cannot say. I know everyone favors the work being done adequately. But I know from months of study of the Civil Service Commission that they are wasting a great deal of money through inefficiency,

and that they can save a good deal of money. As a Government agency they have pretty well broken down.

Mr. MALONE. Mr. President, I do not doubt that what the Senator says is true, but it is happening in every agency, and there is no way of stopping it without a complete change.

Mr. AIKEN. That is correct. It has been the practice of all these agencies, when their appropriations have been cut, such as was the case with the Customs Bureau 2 years ago, to make the cuts apply where it will hurt the Members of Congress most.

Mr. MALONE. I agree with that statement.

Mr. AIKEN. I think it is time Congress stood up on its hind legs and told the various Government agencies they cannot do that. If the Senator from Nevada wishes to earmark a sufficient amount of this fund to have this service properly performed for the veterans, if he will determine exactly what the amount should be, I shall be very glad to support him, because I am sure the increase in this particular place can be saved in other places.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MALONE. I will yield to the Senator from Wyoming in a moment.

I will say to the Senator from Vermont that I doubt if it is possible to do what he has suggested at this late date. If we started to earmark certain funds, say certain amounts, for this and that purpose in a department, it would require the time of half the Members of the Senate to supervise such a program, while the other half of the Senate would handle the general business of the country. The Senator from Vermont knows that to be true as well as I do. I believe the cuts which were made in the compensation to veterans in 1934 and the cuts in the veterans' hospitals in 1949 were made without any rhyme or reason. Now it is proposed to make ineffective the veterans preference in the same manner. The only thing left to the veterans is this little 10 points preference. I am going to stand up in defense of that right until any attempt to change it makes some sense. There are 18,500,000 veterans in this country, many of whom are handicapped through their war experience—they gave up from 2 to 5 years of their lives in the service of their country, and they are entitled to the preference that the Congress has provided for them.

Mr. AIKEN. No one disagrees at all with what we owe the veterans. The question we are now discussing is the Civil Service Commission and not the Veterans' Administration.

Mr. O'MAHONEY. Mr. President——

Mr. MALONE. Mr. President, do I have the floor?

The VICE PRESIDENT. The Senator from Nevada has the floor.

Mr. MALONE. I want to say in answer to that statement, that I believe I could have discussed the matter much more calmly if the insinuation had not been made on the Senate floor, first that anyone upholding the proper administration of the veterans' preference was susceptible to lobbying by the veterans. I say that if we are not able to take care of ourselves when we receive information from someone who may have more accurate information that we have on a subject, then we should not be in the Senate. I have worked on the proper administration, including the construction of disabled-veterans' hospitals for 30 years, and feel I do have first-hand information.

Mr. AIKEN. Will the Senator from Nevada explain where any such accusation came from?

Mr. MALONE. I should like to have the record of what the Senator put into the RECORD at the start of the debate read.

Mr. AIKEN. Did the Senator see any signs on the part of the Senator from Vermont that he had been influenced by the lobbying?

Mr. MALONE. I did not know about that. I merely said there was an accusation and insinuation made here that I did not like.

Mr. AIKEN. There was no such accusation made by the Senator from Vermont.

Mr. MALONE. The Senator from Michigan [Mr. FERGUSON] made some such accusation, at least, I so understood.

Mr. FERGUSON. The Senator from Michigan was not speaking about the Senator from Nevada.

Mr. AIKEN. The Senator from Nevada is in error if he believes any accusation of susceptibility to lobbyists was made.

Mr. FERGUSON. What I was trying to accomplish——

Mr. MALONE. Of course, I do not mean to imply that the Senator accused the junior Senator from Nevada of being influenced, but there was a general blanket insinuation that the veterans were influencing Senators in this connection and that they were not being guided by the facts of the case.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. O'MAHONEY. Mr. President, I wanted to say to the Senator from Nevada that one does not have to depend upon anything one hears by way of personal lobbying or over any telephone to know what the facts are in this case. I came here as chairman of the subcommittee in charge of the bill defending an increase of $2,500,000 which we made in this appropriation. That amendment was defeated by 3 votes on the 27th of July, 38 Senators having voted for the increase and 41 having voted in opposition to it.

The facts which were before the Committee on Appropriations and which I tried, perhaps inadequately, to present upon this floor show that what the Senator from Nevada has been saying is absolutely correct. The justification for allocation of the United States Civil Service Commission's salaries and expenses shows that of the various projects which are carried on by the Civil Service Commission, examining, placement, and veterans' preference is No. 1; investigation is No. 2; personnel classification is No. 3; retirement is No. 4; service records is No. 5; Federal Personnel Council is No. 6; adjudication of veterans' and other appeals is No. 7; executive and administrative services is No. 8. Then comes miscellaneous services.

Of all those, the largest item is the item of examining, placement, and veterans' preferences. For the fiscal year 1949 there was appropriated for this particular project $5,631,000. The House of Representatives reduced that amount by $2,317,000. In other words, it reduced by 40 percent the appropriation for examinations under which veterans' preferences are made. The committee felt that that was an excessive reduction. There can be no question in the world that such a reduction would necessarily have the effect of making it much more difficult for the Civil Service Commission to grant the veterans' preference which is effected by law.

The budget estimate for this item was $17,520,000, and the House reduced it to $14,000,000—a reduction of $3,520,000. One of the effects of that reduction, according to the statement by the House committee, would be the decentralization of examinations by which the various departments and agencies of Government would undertake to conduct their own examinations. Our committee felt that the result would inevitably be to increase the expense and decrease the efficiency. So I say to the Senator from Nevada that the issues here are plainly issues upon facts. If there is any guilt upon the part of any civil servant of the United States, whether he be an employee in a subordinate role, or whether he be a member of the Commission, that is a personal guilt. Let such person be charged and brought before the Committee on Post Office and Civil Service. But let us make a differentiation in our minds, in all logic and reason, between the necessity for an appropriation to do the work which Congress has required the Commission to do and the personal guilt of some unnamed official—some unnamed employee—who may have been guilty of lobbying.

A little while after the Senator from Vermont came to me and said there was lobbying, a card was sent in and I was invited out by a gentleman. I went out to see him. He was Mr. Moulton, executive secretary of the Federation of Government Employees. I asked him, "Are you a Government employee calling to lobby me on this bill?" He said, "I am not a Government employee. I am an employee of the association."

It may be that some of the other charges of lobbying may be without foundation, too. I do not know; but I ask Members of the Senate to distinguish clearly between the two issues.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. O'MAHONEY. The Senator from Nevada [Mr. MALONE] has the floor.

Mr. MALONE. Mr. President, I thank the Senator from Wyoming. I think he has made a very thorough explanation. So far as I am concerned, the record is clear. I am for economy, but I believe we were wrong in our first action. It is not economy to have these examinations

thrown out among three or four hundred, or fifteen hundred boards, as the facts seem to indicate might happen. Furthermore, it is not carrying out the spirit and intent of the veterans' preference law to allow such hearings and ratings to go by default. Personally I am extremely interested to see that that particular law is made effective, because veterans have had disadvantages which others who did not go to war did not suffer.

I am glad now to yield to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I should like to see if I have this problem straight in my own mind. If I correctly understand the problem, if we disallow the $2,317,000 the Civil Service Commission will be unable to handle the examinations, and 2,000 or more divisions or departments of government will set up their own examining boards, which will average about 3 people to each board, at a cost of about $5,000 each. The disallowance of this $2,317,000 might well cost the Government $40,000,000. Am I correct in that statement?

Mr. O'MAHONEY. I would not guess at the amount it might cost, but I think it would be vastly in excess of the increase which the committee recommends.

Mr. CAPEHART. Is it not a fact that if we eliminate this increase in the appropriation, the Civil Service Commission will be unable to conduct the examinations?

Mr. O'MAHONEY. The House committee specifically directed the Commission to decentralize. Let me read from the report. I read from page 10 of the report of the House committee:

> Figures presented by the Commission were to the effect that in excess of 50 percent of placements during the next fiscal year will be made as a result of examining and recruiting work to be performed by the agencies. The committee is of the opinion that this is a conservative estimate and that a much larger percentage of this work could be performed by the departments with resulting economy and efficiency. This procedure would be in line, also, with the recommendations of the committee in providing a reduction in funds for the fiscal year 1950.

In other words, the House committee, in cutting $2,317,000 from this very item for examinations and veterans' preferences, was directing decentralization to the departments and agencies. The result is bound to be, with respect to veterans, that agency A will have one rule for veterans' preference, agency B will have another, and agency C still another. There will be no uniformity.

Mr. CAPEHART. Mr. President, will the Senator further yield?

Mr. MALONE. I yield.

Mr. CAPEHART. Furthermore, is it not a fact that each agency then will set up its own board, which might well consist of three or more people?

Mr. O'MAHONEY. The Senator is correct. That would increase the expense. We would have deficiency appropriations for an additional $2,500,000. At least, that was the judgment of the committee. If we want to decentralize, if we want to adopt some other method of handling the Civil Service Commission, we should do so through legislation which is considered by the appropriate legislative committee, and it should not be done by means of a slash in the appropriation.

Mr. CAPEHART. Mr. President, will the Senator further yield?

Mr. MALONE. I yield.

Mr. CAPEHART. Is it not a fact that it would cost the Government more money to eliminate the $2,317,000 and have decentralization than it would to allow the appropriation recommended by the committee?

Mr. O'MAHONEY. I have no doubt of it in my own mind. That was the way the committee felt.

Mr. MALONE. Mr. President, I have completed my statement. I am sorry that I did not first approach the subject in a calmer frame of mind; but Mr. President, please understand that this subject is one in which I have been interested in since World War I. The statements thus indicating that veterans should not discuss a subject so vital to them with a Senator simply irritated me.

The Congress of the United States worked out a method so that, other things being equal, we could favor a man securing a civil-service job who had lost 2 or 3 years of his life and perhaps an arm or leg, in the service, in filling a job for which he is fully qualified. We have no brief for anyone who is not fully qualified. I sincerely believe that the appropriation asked for would accomplish that purpose. I have no means of knowing whether it would require exactly $2,300,000, or a little more or a little less for the job. At least, however, that is the estimate. Of course, there is no way of segregating the amounts at this late date.

We want to see the many years of precedent in veterans preference made effective. If there should be a change in the law let Congress change it, but do not attempt to nullify it through lack of organization to carry it out.

Let us carry out the spirit and the intent of Congress when the Veterans' Preference Act was passed—and that is when a veteran is qualified for the job, let him have it.

Without the proper machinery to make it effective the act is of no consequence.

Mr. HUMPHREY. Mr. President, I shall be very brief in my remarks. I join with the Senator from Nevada in his statement with reference to the restoration of the full amount for the Civil Service Commission.

I listened to the greater part of the remarks of the distinguished chairman of the subcommittee handling the independent offices appropriation bill. I think we ought to take one or two factors into consideration.

First of all, there has been a great deal of condemnation of the Civil Service Commission. I submit to my colleagues that while the Civil Service Commission has irked me at times, and while I have recognized inadequacies in the handling of some of the cases which come to the Civil Service Commission, as was pointed out, many thousands of temporary war appointees had to be processed by the Commission. Following the cessation of hostilities, the same thousands of Federal employees had to be reprocessed in terms of examinations for permanent positions.

To be sure, in handling the large number of employees which the Civil Service Commission has been required to handle, there have been mistakes. Those mistakes have brought forth a flood of criticism upon the Commission.

However, it is the policy of the Government to maintain the merit system. It is the policy of the Government to have a civil-service system. It is further the policy of the Government to have a veterans' preference system. To weaken the Civil Service Commission at this time, either in its merit system or in its veterans' preference system, would be to abrogate the established policy of the Congress; in fact, the policy of the Nation.

I have heard comments about the Civil Service Commission doing lobbying. I am confident that many of us have received telephone calls. Some of us have received letters and telegrams. I have not been privileged to receive letters and telegrams. However, I will say, for those who have been advocates of the restoration of the Senate committee's figure in the civil-service appropriation, that if they have lobbied they have done so openly and aboveboard. They have been clean-cut about it. Those who have talked to me have not been from the Civil Service Commission. They have been friends of mine who are interested in personnel policies in the Government.

I point out that other kinds of lobbying go on in Washington which are much more subtle than that conducted by those who are interested in the civil service. It is the kind of lobbying, if you please, by which Senators are taken out to dinner or are offered the pleasantries and the sociability of all the nice things that come in a great metropolitan city such as Washington. But let me point out that the poor friends of the civil servants are not capable of taking us out to dinner or offering us the higher types of sociability of this city. The kind of lobbying that has come to the Senator from Minnesota is this: We learn that there is a program for the reform of the civil-service system. That program is to be established under a recommendation of the President. To take away the funds at this time would be definitely to weaken the program which is in the offing.

Another point, Mr. President: When the Government agencies start to decentralize, so that there are experts in every agency, we can say of the Civil Service that it is in its last days, because the only way the Civil Service can operate is as a nonpartisan, impartial, disinterested agency removed from the various other agencies of government. So long as the department heads, the secretaries and assistant secretaries, who direct the policies of the agencies are going to have the say as to recruitment, as to the Board of Examiners, then we can be sure that high-class, objective, impartial civil-service recruitment is through.

I do not wish to make these remarks sound as though I am thoroughly pleased with the Civil Service Commission, be-

cause I am not. It presents a problem of personalities, a problem of basic law. It is connected with the fact that the Congress of the United States has repeatedly amended the Civil Service Act since away back in the 1800's; it is related to the fact that the Congress never has reviewed the entire civil-service program until the Hoover Commission made its report.

As I said, Mr. President, the President has his reorganization plan, which I think is meritorious. Frankly, I shall support it. More than that, I wish to proceed to review the entire basic law pertaining to the civil-service structure of the Government. I call upon my colleagues to support the Senate committee's recommendations. I was not here on the day when this amendment was voted upon.

I also point out that the Civil Service Commission does much more than recruitment and classification, as was so well stated by the Senator from Wyoming. It also handles matters of adjudication, matters of claims, matters of pensions. The same Congress that now is prepared to take away $2,250,000 from the Civil Service Commission is the Congress which time after time imposes upon that Commission new responsibilities—the responsibiilties of investigation, the responsibilities of handling the retirement and the pension funds, the responsibilities of adjudication, the responsibilities of handling veterans' preference. The Congress continuously imposes new responsibilities upon the Civil Service Commission, and then says to the Commission, "We will cut back your funds."

Mr. President, there may be those who think this is economy, but I do not think it is. The greatest waste we can have in government is to permit the faulty recruitment of improper personnel. If there is any waste in the Government today, it is either because we have recruited too many people who are incompetent or because we have had incompetent people doing the recruiting. That is not a matter of dollars in the budget, but it is a personnel problem. I submit that the Civil Service Commission should be strengthened, not weakened; and in strengthening it we should at least encourage it by giving it a proper appropriation.

The amount we are now considering is below the budget estimate. I think the figure is $1,230,000 below the budget estimate. The House of Representatives in its proposal and in its committee report did with this item of the bill what it has done with other items. In other words, the House has not taken into consideration the full nature of the service. In the ECA bill, as it came from the House of Representatives, the House recognized that it was not appropriating sufficient money for the ECA; but the House said, in effect, "Perhaps we shall have a deficiency appropriation for the ECA." Mr. President, the very first bill I voted on in the Senate was a deficiency appropriation bill for the Veterans' Administration. So let us stop kidding ourselves Are we going to have a deficiency appropriation at the end of the year, or are we going to appropriate sufficient funds now? To be sure, Mr. President, it is nice for Senators to be able to say to their constituents, upon their return home, "We reduced the appropriations." But that does not mean anything if later there is a deficiency appropriation.

Mr. President, I want the Civil Service Commission to be given the benefit of the doubt in connection with its work, and not have the Congress intrude upon it by way of legislation.

The VICE PRESIDENT. The question is on agreeing to the motion to reconsider the vote by which the committee amendment on page 11, in line 9, was rejected.

Mr. MORSE. Mr. President, I had not intended to speak on this matter, until I listened to the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Nevada [Mr. MALONE], and the Senator from Minnesota [Mr. HUMPHREY].

So far as I am concerned, I have heard nothing from those distinguished Senators which would justify a reversal of the action taken by the Senate on the civil service item, because I think all those Senators have been speaking on the basis of a false assumption, namely, that the proposed restoration is necessary in order to give the veterans the assistance which the Senator from Nevada says will be denied them unless the money is restored to the bill.

Mr. President, I am not worried about lobbying tactics. I think it is the individual responsibility of each one of us to judge these matters on the basis of the facts, as we find the fact to be. I have no doubt that the Civil Service Commission has been lobbying, but I do not think any of us are going to stop it or any other Government agency from lobbying. I have no doubt about that because I have talked to some of the people who represent labor and veterans' organizations and who have been sent to me in an attempt to get me to change my vote on the Civil Service Commission item. But they were told in no uncertain terms that my vote would not be changed, because I thought their major premise was wrong.

Mr. President, what has the Civil Service Commission done in its attempts to secure a reconsideration of this cut? What fallacious propaganda has it given to those who are urging us to reconsider this cut? Its representatives have talked about the one thing which they think will most easily frighten the politicians. We are now told that the veterans will be hurt if this money is not restored to the bill. But, Mr. President, I deny that the veterans need to be hurt. I deny it because I say that when the Civil Service Commission takes the money the Congress already has appropriated to it, it will have sufficient money in its budget to give the veterans the service they are entitled to receive from the Commission. Of course the Commission must get rid of some of the red tape that has characterized its functioning. If it frees itself from its own red tape inefficiency it will be able to give the veteran the service to which he is entitled under the appropriation now provided in the bill without the restoration of the cut. I, for one, will not tremble, and my knees will not shake, if the Commission sends a group of people to tell us that if we do not vote for this item, we shall hurt the veterans. I say to the veterans' associations of the country that they should not swallow that "bunk," because they are not doing a good service to the veterans in permitting the Civil Service Commission to get by with that fallacious argument. They should join us in insisting that the Civil Service Commission spend its money wisely, economically, and efficiently. It has enough money in this bill as it now is to do for the veterans what the Commission is now telling the veterans it will not do if the cut stands. The Commission should receive a resounding "no" vote from the Senate this afternoon and then receive direct instructions to see to it that it so uses the money appropriated as to give the very service to the veterans that it now says it will not give unless the cut is restored.

What the Civil Service Commission needs to do is to get rid of its own spoils system and red tape. I do not know of any other agency in the Government that has so encumbered and tied itself up in unnecessary red tape as has the Civil Service Commission. If any Senator thinks the administrative policy of the Civil Service Commission is resulting in a true merit system, he has an idea of a merit system far different from mine. The Civil Service Commission in its red tape policies is defeating the purpose of a merit system in Federal service. I am not going to vote for any more money for the Commission until we accomplish the end which the Senator from Minnesota says he is so anxious to accomplish; but I want to teli the Senator from Minnesota he will not clean up the Civil Service Commission by voting it more money. All he will do by that is to encourage them in the tactics they have used in this instance. What the veterans' organizations ought to be doing is to get back of those of us who have the courage to serve notice on the Civil Service Commission that its day for house cleaning has come.

The Civil Service Commission now has authority to bring about improvement in its own administrative efficiency, so as to give to veterans the services which the Commission tells us they are going to take away from the veterans unless Senators yield to this sort of pressure. The junior Senator from Oregon will vote "no" to any such tactics as that, and he serves notice on the Civil Service Commission it had better get busy, clean house, make the economies it is capable of making within its present budget, and give the veterans the service which I say the Senator from Nevada [Mr. MALONE] fallaciously argues will be taken away from veterans if we do not restore this cut of $2,000,000. It will not be taken away from the veterans if th Civil Service Commission does the job it can do within its own budget limitations at the present time.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. I wonder whether the Senator from Oregon would be interested in knowing that the junior Senator from Minnesota has not heard from a single veteran in reference to the civil-service budget, nor has he talked to a single labor representative about the Civil Service Commission budget.

Mr. MORSE. I am speaking of those to whom the junior Senator from Oregon has talked.

Mr. HUMPHREY. I wonder whether the Senator from Oregon would care to know that the interest I have in the Civil Service Commission and its activities is this: In order to conduct a tremendous amount of reprocessing of papers and of applications and of adjudication of preference rights, the Commission has to be properly staffed, and that under the appropriation recommended to the Senate by the committee staff has already been cut, I think by almost an additional 200 employees below what it was last year.

Mr. MORSE. I merely want to say to the Senator from Minnesota that when the personnel of the Civil Service Commission starts performing the work for the pay they are presently getting, there will be plenty of time to do the job that needs to be done. If we are going to talk about economy, we should not talk about economy only in terms of dollars. We should talk about economy in terms of rendering service for the dollars now paid. There can be great improvement in the Government agencies in regard to rendering service for the dollars now paid. When Government agencies start performing full service for the dollars now being paid, they will be able to do the important work which they are telling the Senate they cannot do unless they are given more money. I do not mean to charge that all Government employees do not do ample work for their pay. My own experience in Government service convinced me that thousands of Government workers actually overwork. However, that same opportunity for observation of Government departments convinced me that there is much inefficiency, loafing, and waste of time in many Government departments. Economy of time as well as of money is needed in operating our Government departments including the Civil Service Commission.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. MALONE. I heartily agree with many of the things which the Senator from Oregon has said; but I should like to ask him a simple question: Is he insinuating by his speech that anyone who is opposed to this cut has been influenced by someone?

Mr. MORSE. Of course I am making no such insinuation. I am simply telling the Senator from Nevada——

Mr. MALONE. The Senator left the matter of influence open-ended.

Mr. MORSE. Just a moment. I am simply telling the Senator from Nevada what has been said to me. I assumed from what the Senator from Nevada said that he was protesting because the Senator from Vermont [Mr. AIKEN] stood upon the floor of the Senate and objected to certain lobbying tactics which were being used. I do not object to such lobbying tactics. I am merely attempting to make it clear in the RECORD that lobbying tactics have been used on me in this instance. They have been used on me ever since I have been in the Senate. I can tell off the lobbyists when they are wrong, just as I know the Senator from Nevada can tell them off. In this instance I told them off, and I told them I was not going to vote for restoration of the $2,000,000, because I am satisfied that the Civil Service Commission can do this job within the money which has already been provided.

Mr. MALONE. Mr. President, will the Senator yield further?

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Nevada?

Mr. MORSE. I yield.

Mr. MALONE. I should like to read a short excerpt from a memorandum. We get our information from various sources. We merely want to be sure it is correct information.

In section B, under the heading "Duplication would result," page 52, of the memorandum on House bill 4177, the independent offices appropriation bill for 1950, for the use of the Senate, it says:

DUPLICATION WOULD RESULT

(b) Generally speaking, boards of civil-service examiners in Federal field establishments recruit applicants, and conduct examinations for positions which exist primarily in their respective establishments. Conversely, the Commission's recruiting and examining resources are expended on examinations for filling positions which are common to many agencies, and servicing agencies too small to support a board of examiners. If examinations were completely decentralized, numerous identical examinations would be announced by hundreds of boards of examiners, with resulting waste of time, effort, and money in holding such examinations, and confusion to the public. For example, in the city of Chicago there are about 80 regional offices of various agencies. All of them need stenographers and typists. At present, a resident of Illinois interested in a stenographer's position in Chicago files one application in the Commission's regional office. If this examination were decentralized, the applicant would have to file an application with each board of examiners in the Chicago area in order to be assured of the same consideration. This situation would be duplicated in every large city in the country, including Washington, D. C.

Mr. President, if the Senator will yield for a minute further my information has been gained from many sources. It has been gained from reading the bill, and from experience in veterans preference in the State of Nevada, and other areas, since the beginning of the veterans' preference on the Boulder Dam (now Hoover Dam) for which I was chiefly responsible. When I started my address I said a few things because of the accusations made against veterans lobbying here that I probably should not have said, but I had risen because I had joined in the motion to reconsider after due deliberation and after digging up all the information I could get. I am perfectly satisfied that what the Senator says about there being a great deal of money wasted is absolutely true. I am also satisfied there is no way under the present system and under the present board for us to do anything about it this year. It cannot be earmarked without much additional study. I am intensely interested in the millions of veterans in this country, disabled and otherwise, who have been given a certain number of points of preference by legislation passed by this Senate and the House signed by the President in past years, having their rights preserved and to me this is not the place to start to cut appropriations at this time without proper and detailed consideration.

Mr. MORSE. I may say to the Senator from Nevada I differ with him in his last statement of conclusion. I am perfectly satisfied that the Senator from Nevada himself could go into this agency if given the authority under the existing powers of the Commission, and within 30 days, under the administrative power now reposed in the Commission to bring about the economies which would make it possible to do the job they are representing will not be done unless they get the extra $2,000,000.

Mr. MALONE. Mr. President, will the Senator yield for a further question?

Mr. MORSE. I say we ought to insist that they bring about those savings first rather than continue to add to their budget funds, which I think will only make it possible for them to continue what I think is a very inefficient operation.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. MORSE. I yield.

Mr. MALONE. I fully agree with everything the Senator says except as to how to do it at this time. I see no way of keeping the veterans or any other class of people from being discriminated against, if they really want to do it. I am not even sure the Commission is doing a good job with the additional $2,300,000, or whatever the sum is. But I have looked into it, I have satisfied myself that without it they have a legitimate excuse not to do it. Many people of course talk to me in my office and out of it; I see everybody. I do not have the fear of lobbyists other people profess to have. I do not complain to anybody. As I have said before on the floor of the Senate, if I am not capable of separating the wheat from the chaff, when people come with information to me, then I do not think I am proving myself to be a good Senator.

Mr. MORSE. My only difference with the Senator from Nevada is the Commission I think has money now in sufficient amount to do the job if they have the will to do it. I hardly believe the Senator from Nevada disagrees with me about that; he merely does not think they are going to do it with the money presently available to them, and therefore, until we can conclude an investigation of their policies, the Senator is going to vote for a restoration of the $2,000,000. He is satisfied they have enough money now to do it, if they have the will to do it. I shall not vote for the restoration.

Mr. MALONE. Mr. President, if the Senator will yield, I should like to ask him another question.

Mr. MORSE. I yield.

Mr. MALONE. I fully agree that there probably is sufficient money for a competent commission to do the job. I do not think, however, in view of the usual inefficiency in government which we are unable to correct at this time, there is enough money to get it done.

Mr. MORSE. I understand the Senator's point of view, but we have got to start some time to force them to become efficient, and I think this is a good time to start.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BALDWIN. Does the Senator understand that this particular item is the item which contains an appropriation for holding examinations?

Mr. MORSE. That is my understanding.

Mr. BALDWIN. Does the Senator know that time and time again, under the present civil-service system—and this has been brought out in meetings and hearings of the Committee on Post Office and Civil Service—examinations have been held, repeatedly, over and over again, in order to list at the top of the register and assure the appointment of a politician who was not able to pass the examination? Does the Senator know that there are post offices which have been occupied by temporary postmasters for 11 years while repeated efforts have been made to build up someone who could not pass the examination, in the hope that others who can will either die off, move away, or be discouraged, as they ultimately are, and give up the ghost?

Mr. MORSE. The Senator's statement illustrates what I mean when I speak about the spoils system in the civil service.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ANDERSON. I should like to give the Senator a particular instance. There was a man in the Department of Agriculture named Michael Crone. I am not averse to using his exact name. By some unfortunate circumstance, he progressed to a reasonably good position in the Bureau of Agricultural Economics. No one desired to retain him, after a while, because it was found that he was unsuited for the position, as is sometimes the case with some very fine persons. He went to the war, and it was unnecessary to recommend his discharge. He returned from the war and demanded back his position. An effort was made, unsuccessfully, to parcel him around to other bureaus of the Department, and it was finally decided that the Production and Marketing Administration should take him. They struggled with him, and some of the top officials of the Production and Marketing Administration pleaded with me to take the load off them. They included the Administrator and other persons. They said they could not take this man because he had demanded a job held by a woman, a war-service employee, who had probably done the most outstanding job in that Administration. I gave instructions that they were not to dismiss her. I finally found, after taking it as far as I could, that the Civil Service Commission could replace persons who were not efficient and could overrule orders of the Secretary of Agriculture. The woman was displaced, and this man was put into her job. I think that did more to destroy morale in the Department of Agriculture than did anything I had ever seen. I can refer the Senator to many other cases.

Mr. MORSE. The Senator has just cited not an isolated case, but a common case. We cannot have a system of merit unless it is possible to get rid of the incompetents who get into the system. The taxpayers are entitled to have discharged from service persons not sufficiently competent to earn the money the taxpayers pay them. I cannot reconcile any other rule with a merit system. I think that what we are building up in this country is a so-called Civil Service system which makes it almost impossible to get the incompetents out of Government. We hear much said about young people not going into Government service. One of the reasons why so many of them are being discouraged from going into Government service is that the present system makes it possible to keep too many incompetents in high positions under the Civil Service, which certainly is no incentive to an able, ambitious young man or woman. The Civil Service Commission should assume responsibility for eliminating incompetents from Government service. It should devise a fair procedure for testing the competency of Government workers. It should not pass the buck to some outside group of officials who may be subject fairly or unfairly to attack as to bias as appears to be the case now raging at the Civil Service Commission over examiners. I think it is unfair to the McFarland committee to give them the power of decision which the Commission at least started out to give them. I think we have the right to insist that the Commission set up a Government board on competency and see to it that fair procedure is adopted which will protect the industrious and competent workers but get rid of the incompetent and the loafers.

That is why I say to the Senator from Minnesota that I completely agree with him that there is a need for a thorough and complete overhauling of the Civil Service Commission procedures. I am not going to vote for any more money for the Commission until that is done.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. In view of the Senator's attitude on the Civil Service Commission—and I may say I know of cases similar to that cited by the Senator from New Mexico—I wonder if he recognizes that under the House committee report, in making this budget cut, the House committee did not say that the work of the Civil Service Commission would be curtailed, but that the recruitment, the adjudication, and the number of examinations would be placed in other agencies.

I should like to ask the Senator from Oregon this question: Since there is no prohibition as to the nature of the work, since there is no curtailment as to the amount of the work, and no curtailment as to the number of persons who will be employed in personnel work, I wonder whether he believes it is a sound policy for the agencies themselves to do this work, when they are more in politics than the Civil Service Commission will ever be.

Mr. MORSE. I wonder.

Mr. HUMPHREY. I wonder if it would be a sound policy.

Mr. MORSE. I wonder about that assumption.

Mr. HUMPHREY. Does the Senator think it would be sound policy for them to do the recruitment?

Mr. MORSE. I am open to conviction on that point. I shall be glad to listen to more argument on that point. If we go along with the House and approve the House policy, with the type of veteran examinations being called for, I say the Civil Service Commission can do that work within the money now in the bill.

Mr. HUMPHREY. I was going to recommend to the Senator, if he will yield for a further comment, that possibly what we should have, in view of his very logical and persuasive argument—and may I say "almost thou persuadest me"—is a prohibition somewhere in the statute, or somewhere within the appropriation bill, if we can get two-thirds of the Members to vote for it, against any transfer of functions to the agencies. That would give us real economy and force the Civil Service Commission to do what the Senator wants it to do, to tighten up, to get rid of some of its dead wood, and abandon some of the practices which they have used to hold dead wood on the job. I cannot see that we are making any accomplishment at all. All we are doing is to take from the Civil Service Commission a part of the money and transferring it to other agencies and saying, "Now, you do it, and you will be called names for a while, rather than the Civil Service Commission."

Mr. MORSE. I think the Senator and I can agree on an amendment to that effect.

Mr. AIKEN. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Chair feels constrained to admonish the Senate that unless we make more progress in discussing the bill, the Chair will have to enforce the rule against Senators yielding for anything other than questions.

Mr. AIKEN. Mr. President, I simply wanted to make a statement in regard to the matter brought up by the junior Senator from Minnesota, namely, decentralizing the hiring of employees. In the study made by the Hoover Commission it was found that when a department desired to hire additional help, the average length of time it took the Civil Service Commisson to hold an examination and qualify that help was 7 months. If an agency wanted help in a hurry, it could not get employees qualified, unless the rules were waived. But the average

length of time it takes to qualify employees for any agency of the Government is 7 months. If that is efficiency, my definition of the word is incorrect. That is one of the primary reasons why the Hoover Commission recommended decentralization of hiring, so that if an agency had to have help in a hurry it could do its own hiring.

Mr. HUMPHREY. Is it not true, however, that one of the reasons for that situation is that the Commission has a backlog of hundreds of thousands of cases?

Mr. AIKEN. I do not know.

Mr. HUMPHREY. It is perfectly legitimate on the floor of the Senate or of the House to whiplash every agency of the Government. The Civil Service Commission is no more inefficient than are the Maritime Commission, the Interstate Commerce Commission, and the Federal Trade Commission. They are just about equal in efficiency.

Mr. AIKEN. That is a question.

Mr. WHERRY. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator from Vermont has the floor.

Mr. AIKEN. Let me say further to the Senator from Minnesota that I think the agency of the Government which has the best personnel relations is the Tennessee Valley Authority. That agency hires and fires its own help. It would have been impossible for it to have made the enviable record it has made if it had to depend upon the Civil Service Commission to do the hiring and approve the firing of its employees.

Mr. CAPEHART. Mr. President, it seems to me that we have gotten completely away from appropriations and have gone into the merits or demerits of the Civil Service Commission. I shall not argue the merits or demerits of that, or whether they are doing a good job or not. The fact remains that the Civil Service Commission is either going to handle the examinations, or some 2,000 agencies are going to do it. If 2,000 agencies do it, they are going to have to have possibly 3,000 people to do it, at an average cost of four or five thousand dollars a year. We could save $2,500,000 if we wanted to permit the 2,000 agencies to do it, and by so doing, in my personal opinion, we would add anywhere from ten to fifteen or twenty or twenty-five million dollars additional expense on the 2,000 agencies.

Mr. President, that is all there is to it. I wish there were some way by which we could revamp the Civil Service Commission and make it efficient, and eliminate the red tape. I think it is a very inefficient organization. But that is not the problem, that is not the legislation before us. Nor are lobbyists the problem before us. Not a single person has talked to me about the matter. I have not had a telephone call about it. I feel rather embarrassed, and feel that I have been rather neglected. Other Senators seem to catch the lobbyists. I do not seem to catch them.

The whole problem is, are we to save $2,000,000 in one spot, and spend anywhere from 10 to 25 million in another direction? That to me is the entire problem, and if I am wrong, I wish someone would correct me.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Iowa [Mr. GILLETTE] to reconsider the vote by which the committee amendment on page 11, line 9, was rejected.

Mr. FERGUSON. Mr. President, I think the question last asked by the Senator from Indiana can be answered. What the Congress does is to appropriate in this bill a lump sum of money for the Civil Service Commission, outside of a few allotments, $560,000, and $500,000. The number of personnel it would decrease is 485.

Let me tell the Senate what happens, what has happened for a long time, and what happened when there was an attempt to cut the appropriation of the Treasury Department.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. CAPEHART. Is it not a fact that the House in its report told the Civil Service Commission to eliminate its own boards, and permit some 2,000 agencies to do the work? Is not that exactly what is going to happen if we eliminate this $2,000,000?

Mr. FERGUSON. No; the Civil Service Commission can apply this cut whereever it desires to apply it, except as indicated in the legislation itself.

It was indicated here this morning that the only cut to be made is a cut against veterans. Here we have the Civil Service Commission itself crying out for the veterans, but the evidence, as indicated by the Senator from Connecticut, is that for 11 years veterans have been kept out of jobs just because the Civil Service Commission did not apply the proper rules. That is as I understand it. This is the very agency which comes here today and indicates a cut of the Civil Service Commission appropriations will militate against the veterans.

Mr. President, the same argument was applied when we tried to reduce the appropriation for customs officers, by a cut in the Treasury Department budget. What did the Treasury do? They notified the border patrol in every State in the Union that they were going to lay off employees in the border patrol. In came telegrams and telephone calls, "What are you going to do in Congress—open the border? We will have no more patrol. Are you going to open the border to all kinds of smuggling?"

They did not seem to comprehend that they could discharge some other employees, and the evidence indicated that they had on the pay roll some 8 or 10 men in the upper brackets who were not doing a tap of work, and who could have retired long before, some of them 80 years of age. They never thought of taking any of those employees off the pay roll. No, they had to take off the border patrol, so that there could be smuggling across every border in the United States.

Mr. AIKEN. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield.

Mr. AIKEN. Does the Senator recall that after hearings and investigations, and after collaboration with the Secretary of the Treasury the Customs Bureau was reorganized, after which they found they could do more work and could restore the border patrol and the port patrol, and when they came before the Committee on Appropriations of the next Congress they asked for less money than they had the year before?

Mr. FERGUSON. That is correct.

Mr. AIKEN. Does not the Senator recall that a few years ago an effort was made to curtail expenditures of the Post Office Department? I am not too familiar with the case, but I recall that when the appropriation was cut the Post Office Department laid off the afternoon mail carriers, so that the greatest possible inconvenience was caused the public.

Mr. FERGUSON. They did not lay off all the afternoon mail carriers. I know of one case in Flint, Mich., where they laid off the mail carirers who delivered mail in the morning, about the time of the opening of law offices and business places, so that a stream of telephone calls and telegrams came to the Senator from Michigan to the effect that the 8 and 8:30 mail, which had been delivered at that time for years, was going to be discontinued because the Senator from Michigan had joined others in voting to reduce the postal appropriations. It was found that in the Senator's State the important deliveries came in the afternoon, whereas in certain sections of the State of the Senator from Michigan they came in the morning.

Mr. O'MAHONEY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I ask the Senator to indulge me. About 2 hours ago I inadvertently granted unanimous consent to the request of the Senator from Delaware that this matter might be taken up out of order. I had the understanding that that would probably be in the interest of expediting action upon the bill. I suggest to the Senator from Michigan and to all other Senators that no more votes are to be made one way or the other, I think the decision has been arrived at, and I ask the Senator from Michigan when he thinks we may reach a vote on this item.

Mr. FERGUSON. The Senator from Michigan would say, so far as he is personally concerned, in about 5 minutes or less.

Mr. WHERRY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from Nebraska.

Mr. WHERRY. I am rather interested in the comment made by the distinguished Senator from Wyoming. I ask the distinguished Senator from Michigan whether it is not also true that yesterday, when request was made for unanimous consent, after the time had gone by for even entering a motion to reconsider, the unanimous consent was granted. I did not object, because I feel that everyone should have his day in court, and if there was any evidence to be submitted, I was perfectly willing to receive it. But I feel that inasmuch as

that unanimous consent was granted yesterday, which could have been blocked without the proponents of this measure having an opportunity to advance any new evidence, consideration should be given to that fact. I do not see much new evidence, myself. For 2 hours we have been listening to debate. We have heard some great speeches about lobbying; but we know all about that. I myself am not invited to as many dinners as most people talk about. I guess I am hard. No one comes in to see me any more. At any rate we have had a lesson about lobbying. I believe the distinguished Senator from Michigan in summing up will give us the meat in the coconut, but I will say that I feel that in the final analysis nothing really new has been presented. I hope the distinguished Senator from Michigan will sum up the argument on his side of the case. I wish to say, however, that when I gave my consent to the unanimous-consent request, I felt that any Senator who could bring in new evidence on the subject should be given the opportunity to do so. I feel that no new evidence which would justify reconsideration of the vote has been submitted.

Mr. FERGUSON. Mr. President, I believe no new evidence has been presented which should cause the Senate to change its decision respecting this item. It is a lump-sum apprdpriation. The cut in question would cause a decrease of 485 employees in the Civil Service Commission.

The Civil Service Commission has tried to indicate to the Congress, and particularly to the Senate, that the cut will affect only the Veterans' Preference Act and the examinations so far as the veterans are concerned. The Senator from Michigan finds nothing in the RECORD about that, except one item which appears on page 53 of the side slips:

Cost of decentralized program proposed by the House compared to the Budget proposal.

* * * * *

Veterans' Federal Employment Service, $238,047.

Instead of $2,250,000 being cut from the veterans' service, the amount would be merely $238,047, and certainly out of the sum of $14,000,000, the Civil Service Commission could arrange so as to spend that full amount for veterans' services.

Mr. AIKEN. Will the Chair state the question?

The VICE PRESIDENT. The question is on the motion of the Senator from Iowa [Mr. GILLETTE], for himself and the Senator from Nevada [Mr. MALONE], to reconsider the vote disagreeing to the committee amendment on page 11, line 9.

Mr. GILLETTE, Mr. MALONE, and other Senators asked for the yeas and nays.

The yeas and nays were ordered.

Mr. WHERRY. Mr. President, I have been requested to suggest the absence of a quorum.

The VICE PRESIDENT. The Senator can do so in his own right.

Mr. WHERRY. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names.

Aiken	Hill	Millikin
Anderson	Hoey	Morse
Baldwin	Holland	Mundt
Brewster	Humphrey	Murray
Bricker	Hunt	Myers
Bridges	Ives	Neely
Butler	Jenner	O'Conor
Cain	Johnson, Colo.	O'Mahoney
Capehart	Johnson, Tex.	Pepper
Chapman	Johnston, S. C.	Robertson
Connally	Kefauver	Russell
Cordon	Kem	Saltonstall
Donnell	Kerr	Schoeppel
Douglas	Kilgore	Smith, Maine
Downey	Knowland	Sparkman
Dulles	Langer	Stennis
Ecton	Lodge	Taft
Ellender	Long	Taylor
Ferguson	Lucas	Thomas, Okla.
Flanders	McCarran	Thomas, Utah
Frear	McCarthy	Thye
Fulbright	McClellan	Tobey
George	McFarland	Tydings
Gillette	McGrath	Vandenberg
Graham	McKellar	Watkins
Green	McMahon	Wherry
Gurney	Magnuson	Wiley
Hayden	Malone	Williams
Hendrickson	Martin	Withers
Hickenlooper	Maybank	Young

The VICE PRESIDENT. The question is on the motion of the Senator from Iowa [Mr. GILLETTE], for himself and the Senator from Nevada [Mr. MALONE], to reconsider the vote by which the committee amendment on page 11, line 9, was rejected.

The Secretary will call the roll.

The roll was called.

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND] is absent on public business.

The Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Idaho [Mr. MILLER] are detained on official business.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "nay."

The result was announced—yeas 46, nays 44, as follows:

YEAS—46

Baldwin	Ives	Murray
Cain	Johnson, Tex.	Myers
Capehart	Johnston, S. C.	Neely
Chapman	Kefauver	O'Mahoney
Connally	Kerr	Pepper
Cordon	Kilgore	Robertson
Downey	Langer	Saltonstall
Ellender	Lucas	Smith, Maine
Gillette	McCarran	Sparkman
Graham	McFarland	Stennis
Green	McGrath	Taylor
Gurney	McKellar	Thomas, Okla.
Hayden	McMahon	Thomas, Utah
Hendrickson	Magnuson	Withers
Hill	Malone	
Humphrey	Maybank	

NAYS—44

Aiken	Hickenlooper	Mundt
Anderson	Hoey	O'Conor
Brewster	Holland	Russell
Bricker	Hunt	Schoeppel
Bridges	Jenner	Taft
Butler	Johnson, Colo.	Thye
Donnell	Kem	Tobey
Douglas	Knowland	Tydings
Dulles	Lodge	Vandenberg
Ecton	Long	Watkins
Ferguson	McCarthy	Wherry
Flanders	McClellan	Wiley
Frear	Martin	Williams
Fulbright	Millikin	Young
George	Morse	

NOT VOTING—6

Byrd	Eastland	Reed
Chavez	Miller	Smith, N. J.

So Mr. GILLETTE's motion, for himself and Mr. MALONE, to reconsider the vote disagreeing to the committee amendment on page 11, line 9, was agreed to.

The VICE PRESIDENT. The question recurs on agreeing to the committee amendment, on page 11, line 9. [Putting the question.]

Mr. WHERRY. I ask for the yeas and nays.

The yeas and nays were ordered, and the roll was called.

Mr. MYERS. I announce that the Senator from Mississippi [Mr. EASTLAND] is absent on public business.

The Senator from New Mexico [Mr. CHAVEZ] is detained on official business.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. REED] is necessarily absent.

The Senator from New Jersey [Mr. SMITH], who is absent because of illness, is paired with the Senator from Oregon [Mr. CORDON], who is detained on official business. If present and voting, the Senator from New Jersey would vote "nay," and the Senator from Oregon would vote "yea."

The result was announced—yeas 51, nays 40, as follows:

YEAS—51

Anderson	Hunt	Miller
Baldwin	Ives	Murray
Cain	Johnson, Tex.	Myers
Capehart	Johnston, S. C.	Neely
Chapman	Kefauver	O'Conor
Connally	Kerr	O'Mahoney
Downey	Kilgore	Pepper
Dulles	Langer	Robertson
Ellender	Lucas	Saltonstall
Gillette	McCarran	Smith, Maine
Graham	McFarland	Sparkman
Green	McGrath	Stennis
Gurney	McKellar	Taylor
Hayden	McMahon	Thomas, Okla.
Hendrickson	Magnuson	Thomas, Utah
Hill	Malone	Tydings
Humphrey	Maybank	Withers

NAYS—40

Aiken	Hickenlooper	Mundt
Brewster	Hoey	Russell
Bricker	Holland	Schoeppel
Bridges	Jenner	Taft
Butler	Johnson, Colo.	Thye
Byrd	Kem	Tobey
Donnell	Knowland	Vandenberg
Douglas	Lodge	Watkins
Ecton	Long	Wherry
Ferguson	McCarthy	Wiley
Flanders	McClellan	Williams
Frear	Martin	Young
Fulbright	Millikin	
George	Morse	

NOT VOTING—5

Chavez	Eastland	Smith, N. J.
Cordon	Reed	

So the committee amendment was agreed to.

The VICE PRESIDENT. The next amendment of the committee will be stated.

The next amendment was, under the subhead "Independent officers—General provisions," on page 65, line 16, after the word "agencies", to strike out the colon and the following additional proviso: "*Provided further*, That this section shall not be applicable to corporations or agencies subject to the Government Corporation Control Act, as amended."

The amendment was agreed to.

The next amendment was, on page 65, after line 19, to strike out:

SEC. 108. Where provision is made in this title specifically setting forth the salary of any officer or employee, such salary rate shall be effective immediately upon the passage of this act.

The amendment was agreed to.

The next amendment was, on page 65, line 24, to change the section number from "109" to "108."

The amendment was agreed to.

The next amendment was, on page 66, line 6, to change the section number from "110" to "109."

The amendment was agreed to.

The next amendment was, on page 66, after line 12, to strike out:

SEC. 111. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of 1 such employee to 125, or a part thereof, full time, part time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

The amendment was agreed to.

The next amendment was, on page 67, after line 2, to insert:

SEC. 110. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel services when the ratio of positions for personnel services to the number of full-time, part-time, and intermittent positions which can be financed under funds available to the agency concerned exceeds such ratio as is determined by the Bureau of the Budget to be necessary for the proper performance of the personnel services of the agency: *Provided*, That this prohibition shall apply to employees who devote 50 percent or more of their time to administrative services and all or a portion of that time to personnel services performed for civilian employees in the continental United States, comprising direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

The amendment was agreed to.

The next amendment was, on page 67, after line 20, to insert:

SEC. 111. None of the sections under the head "Independent offices—General provisions" in this title, except section 102, shall apply to the Housing and Home Finance Agency, the Inland Waterways Corporation, or the Tennessee Valley Authority.

The amendment was agreed to.

The next amendment was, under the heading "Housing and Home Finance Agency," on page 70, line 19, after the word "for," to strike out "administive" and insert "administrative."

The amendment was agreed to.

The next amendment was, on page 71, at the beginning of line 20, to strike out "$21,860,750" and insert "$22,860,750."

The amendment was agreed to.

The next amendment was, on page 73, line 23, after the word "Congress", to strike out the colon and the following additional provisos: "*Provided further*, That the Administrator of the Housing and Home Finance Agency may relinquish and transfer, pursuant to the same general terms and conditions specified in subsection 505 (a) and (b) of the act of October 14, 1940, as added by the act of June 28, 1948 (Public Law 796), title to temporary housing provided for certain veterans and their families under title V of said act of October 14, 1940, as amended, to any State, county, city, or other public body: *Provided further*, That any application for such relinquishment and transfer shall be filed with the Administrator within 120 days after the approval of this act."

The amendment was agreed to.

The next amendment was, under the subhead "Corporations—General provisions," on page 77, after line 6, to strike out section 203, as follows:

SEC. 203. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of 1 such employee to 125, or a part thereof full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

And insert in lieu thereof a new section 203, as follows:

SEC. 203. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel services when the ratio of positions for personnel services to the number of full-time, part-time, and intermittent positions which can be financed under funds available to the agency concerned exceeds such ratio as is determined by the Bureau of the Budget to be necessary for the proper performance of the personnel services of the agency: *Provided*, That this prohibition shall apply to employees who devote 50 percent or more of their time to administrative services and all or a portion of that time to personnel services performed for civilian employees in the continental United States, comprising direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

The amendment was agreed to.

The next amendment was, under the heading "Title III—General provisions—Departments and agencies," on page 80, after line 3, to strike out:

SEC. 303. Appropriations for the executive departments and independent establishments for the current fiscal year available for travel expenses shall be available for the payment of per diem allowances in lieu of subsistence expenses without regard to the Subsistence Expense Act of 1926, as amended (5 U. S. C. 821–833), to civilian officers and employees of such departments and establishments while traveling on official business outside the continental limits of the United States and away from their designated posts of duty: *Provided*, That the amount of such allowances shall be determined by the head of the department or independent establishment concerned or by such official as he may designate for the purpose, but shall, in no case, notwithstanding any other provision of law, exceed the maximum established by regulations prescribed by the President for the locality in which the travel is performed.

The amendment was agreed to.

The next amendment was, on page 80, line 20, to change the section number from "304" to "303."

The amendment was agreed to.

The next amendment was, on page 81, line 11, to change the section number from "305" to "304."

The amendment was agreed to.

The next amendment was, on page 81, line 16, to change the section number from "306" to "305."

The amendment was agreed to.

The next amendment was, under the subhead "Corporations," on page 82, line 4, to change the section number from "307" to "306."

The amendment was agreed to.

The next amendment was, on page 83, line 1, to change the section number from "308" to "307."

The amendment was agreed to.

The next amendment was, on page 83, line 8, to change the section number from "309" to "308."

The amendment was agreed to.

The next amendment was, on page 83, line 14, to change the section number from "310" to "309."

The amendment was agreed to.

The VICE PRESIDENT. That completes the committee amendments.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 111. An act for the relief of Mrs. Pearl Shizuko Okada Pape;

S. 317. An act for the relief of Margita Kofler; and

S. 905. An act for the relief of John Sewen.

The message also announced that the House had agreed to the report of the committee on conference on the disagreeing votes of the two Houses on amendment of the Senate to the bill (H. R. 5632) to reorganize fiscal management in the National Military Establishment to promote economy and efficiency, and for other purposes.

INDEPENDENT OFFICES APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

Mr. O'MAHONEY. Mr. President, I offer two technical amendments on page 39 of the bill. I send the amendments to the desk and ask that they be stated.

The VICE PRESIDENT. The amendments will be stated.

The CHIEF CLERK. On page 39, line 16, it is proposed to strike out $35,000 and insert in lieu thereof $100,000.

On page 39, line 17, it is proposed to strike out $3,556,039 and insert in lieu thereof $3,656,039.

Mr. O'MAHONEY. Mr. President, these are two technical amendments. They do not add anything to the bill. The committee amendment which was adopted by a yea-and-nay vote was intended to give the Interstate Commerce Commission the funds with which to carry on pipe-line evaluation and the work of the Bureau of Motor Carriers, but the limitations were not changed. These amendments merely change the limitation.

The VICE PRESIDENT. The question is on agreeing to the amendments which have been offered by the Senator from Wyoming.

The amendments were agreed to.

Mr. O'MAHONEY. Mr. President, by authority of the committee, I have three legislative amendments to offer. The first of these is on page 10. It relates to the appropriation for the Atomic Energy Commission. I offer this amendment, and send it to the desk and ask that it be stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, line 5, it is proposed to strike out the period and insert a colon and the following:

Provided further, That no part of this appropriation or contract authorization shall be used—

(A) to start any new construction project for which an estimate was not included in the budget for the current fiscal year;

(B) to start any new construction project the currently estimated cost of which exceeds the estimated cost included therefor in such budget; or

(C) to continue any community facility construction project whenever the currently estimated cost thereof exceeds the estimated cost included therefor in such budget;

unless the Director of the Bureau of the Budget specifically approves the start of such construction project or its continuation and a detailed explanation thereof is submitted forthwith by the Director to the Appropriations Committees of the Senate and the House of Representatives and the Joint Committee on Atomic Energy; the limitations contained in this proviso shall not apply to any construction project the total estimated cost of which does not exceed $500,000; and, as used herein, the term 'construction project' includes the purchase, alteration, or improvement of buildings, and the term 'budget' includes the detailed justification supporting the budget estimates: *Provided further,* That whenever the current estimate to complete any construction project (except community facilities) exceeds by 15 percent the estimated cost included therefor in such budget or the estimated cost of a construction project covered by clause (A) of the foregoing proviso which has been approved by the Director, the Commission shall forthwith submit a detailed explanation thereof to the Director of the Bureau of the Budget and the Committees on Appropriations of the Senate and of the House of Representatives and the Joint Committee on Atomic Energy.

Mr. O'MAHONEY. Mr. President briefly the purpose of the amendment is to provide for a closer supervision by the Bureau of the Budget and by the Congress of the United States over the expenditure of funds which are granted to the Atomic Energy Commission by way of contract authority. Without the amendment, when contract authority is granted then the agency to which the authority is granted has practically unrestricted powers to exercise it in any way that satisfies its discretion. It is intended here to make clear that if a budget estimate is submitted for a contract authority for a construction job, submission shall be the controlling factor. In other words, the agency shall not then be free to abandon the project which was presented to the Congress in the budget and adopt another. That is the explanation of paragraph A.

Then:

(B) to start any new construction project, the currently estimated cost of which exceeds the estimated cost included therefor in such budget; or

(C) to continue any community facility construction project whenever the currently estimated cost thereof exceeds the estimated cost included therefor in such budget.

Also, unless the submission is made to the Director of the Bureau of the Budget and by the Director of the Atomic Energy Commission to the Appropriations Committee of the Senate and the House and the Joint Committee on Atomic Energy.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Nebraska?

Mr. O'MAHONEY. I yield.

Mr. WHERRY. I wish to preface my question by stating that I am for this amendment. Why is the amendment offered from the floor rather than being included in the bill by the committee?

Mr. O'MAHONEY. Because it is a legislative amenment, and I filed notice, asking for a suspension of the rule.

Mr. WHERRY. Does the Senator mean to say that other amendments in the bill are not subject to points of order?

Mr. O'MAHONEY. I beg the Senator's pardon.

Mr. WHERRY. Does the Senator mean to say by offering the amendment in this way that there are no legislative amendments in the bill itself?

Mr. O'MAHONEY. Oh, not at all.

Mr. WHERRY. Will the Senator advise me whether he thinks the insertion on page 19 of the bill is a legislative amendment?

Mr. O'MAHONEY. I will examine it. Does the Senator refer to the amendment "of which not to exceed $20,000 shall be available for administrative expenses," and so forth?

Mr. WHERRY. Yes.

Mr. O'MAHONEY. No; I think that is not legislative.

Mr. WHERRY. I refer to the clause "including not to exceed $1,200 for administrative expenses in connection with the city of East Peoria sewage project."

Mr. O'MAHONEY. No.

Mr. WHERRY. The Senator thinks that is a limitation? Is that correct?

Mr. O'MAHONEY. I think that is a limitation.

Mr. WHERRY. What about the amendment beginning on line 25, on page 19?

Mr. O'MAHONEY. That is a provision that came to the Senate from the House.

Mr. WHERRY. No; I refer to the provision in italics starting on page 19, line 25.

Mr. O'MAHONEY. I beg the Senator's pardon. That amendment relates to the authority for conservation of securities, which was provided for in a previous act of Congress. The amendment merely continues it.

Mr. WHERRY. Is it legislation? I am merely asking the distinguished Senator a question in order that I may understand the situation. It seems to me the amendment beginning on line 25, page 19, is legislation and is subject to a point of order, and I think throughout the bill there are probably 20 other amendments which are also legislative, and subject to points of order. I wonder what difference there is. I wonder why the amendments the Senator is now proposing were not all put in the bill?

Mr. O'MAHONEY. The committee asked that the rule be suspended with respect to these three items, because they were the only three items, which in the judgment of members of the committee, were legislative in character. The question was not raised with respect to any of the others.

Mr. WHERRY. I merely wanted to point out to the distinguished Senator from Wyoming and to Members who are on the floor that House bill 4177 contains many legislative amendments. These three, of course, are amendments which are of particular interest, and I am glad they are before us the way they are. But so far as points of order are concerned, I point out that there are probably at least a score of amendments in House bill 4177 which are legislative in character, on which points of order based solely upon the legislative character of the amendments could be sustained.

The VICE PRESIDENT. The Chair would state that points of order on the ground of legislation cannot be made against legislative provisions which come to the Senate in the House bill.

Mr. WHERRY. If the Chair is replying to my remarks, I may say I understand that perfectly.

The VICE PRESIDENT. The Chair thought the Senator was referring to provisions in the House bill.

Mr. WHERRY. The amendments I am talking about are amendments the Senate committee wrote into the bill.

The VICE PRESIDENT. But it is now too late for points of order to be made against them.

Mr. WHERRY. I am not asking that a point of order be made against any of the amendments. Had I intended to make a point of order, I should have made it when the amendment came up.

Mr. O'MAHONEY. I understand.

Mr. WHERRY. Had I wanted to make a point of order against the bill which was reported by the committee, I would have done so when the bill was taken up. But, Mr. President, the point I make is, there are at least 20 amendments in the bill of a legislative character, against

which points of order in my mind could have been made. The points of order were not made.

Mr. KEFAUVER. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Tennessee?

Mr. O'MAHONEY. I yield.

Mr. KEFAUVER. I want to ask the Senator whether this is a provision applicable only to the Atomic Energy Commission and its construction projects.

Mr. O'MAHONEY. Yes; but there is another one that refers to the Maritime Commission, which I shall offer in a few moments.

Mr. KEFAUVER. Does not the distinguished Senator feel that if this is a healthy and worth while provision for the Atomic Energy Commission's projects, it should be encompassed in the legislation submitted to cover the Interior, the Corps of Engineers, and all other agencies of the Government?

Mr. O'MAHONEY. I quite agree with the Senator. I think all contract authority should be subjected to a great deal more scrutiny than has been the case in the past. Yes, indeed, I agree with the Senator.

Mr. KEFAUVER. I should like to ask the Senator another question. Suppose the Atomic Energy Commission starts a project and then through the development of technology it is found advisable to transfer or to transform the project into a different kind of project or building or institution, whatever the project may be. In that event this would deter them from doing so; that is, they would be required to go on and complete the project they had started, would they not?

Mr. O'MAHONEY. Oh, no. The amendment was carefully drafted so as to provide against such a contingency. That, of course, would be wasteful.

Mr. KEFAUVER. Such a contingency will be avoided under provisions of this amendment, will it?

Mr. O'MAHONEY. I read from page 2 of the amendment, beginning in line 16:

> That whenever the current estimate to complete any construction project (except community facilities) exceeds by 15 percent the estimated cost included therefor in such budget or the estimated cost of a construction project covered by clause (A) of the foregoing proviso which has been approved by the Director, the Commission shall forthwith submit a detailed explanation thereof to the Director of the Bureau of the Budget and the Committees on Appropriations of the Senate and of the House of Representatives and the Joint Committee on Atomic Energy.

It was the 15-percent clause which was inserted after a conference, and with the knowledge of the Atomic Energy Commission.

Mr. KEFAUVER. As I read the 15-percent clause, it actually modifies subsection (A) and (B), and also (C). Is that correct?

Mr. O'MAHONEY. No, beceause the proviso in line 17, specifically exempts community facilities, within the parenthesis.

Mr. KEFAUVER. Then, may I also ask the distinguished Senator, does he not think it is rather delicate to require what might be the revealing of some secret which we would not want to have revealed, if the Atomic Energy Commission had to submit a detailed explanation to the Bureau of the Budget and to the Committees on Appropriations of the Senate and the House?

Mr. O'MAHONEY. No, I am sure no secret information would be revealed. The Bureau of the Budget now goes into these matters in a great deal of detail.

Mr. KEFAUVER. Mr. President, will the Senator yield for another question?

Mr. O'MAHONEY. I yield.

Mr. KEFAUVER. Does this amendment meet with the approval of the Atomic Energy Commission?

Mr. O'MAHONEY. The Atomic Energy Commission sat with us. We consulted them. I would not say that it has been formally approved by the Commission, but it does not and has not objected to me to the amendment in its present form.

Mr. KEFAUVER. The fear I have, I may say to the Senator, is this: Of course, we want all the economy that can be had, and we want the Atomic Energy Commission to keep within the estimates to the extent possible. But we must realize that we are dealing with a new and somewhat unknown development, and I dislike to see anything done which might retard the progress and development of new ideas, new methods, and the putting them into effect by the Atomic Energy Commission.

Mr. O'MAHONEY. I share the Senator's ideas.

Mr. KEFAUVER. It seems to me the Atomic Energy Commission is the wrong agency with which to start this kind of program.

Mr. O'MAHONEY. I have just stated I shall offer one with respect to the Maritime Commission in a moment.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. McMAHON. I should like to say to the Senator from Tennessee that the way the amendment was originally drawn was not satisfactory to many of the members of the Joint Committee on Atomic Energy, and we did have a consultation not only with the members of the Commission, but with the Senator from Wyoming, who spoke on behalf of his subcommittee. In that way this language was worked out. Under it I believe the Commission can function without loss of efficiency, and with the result of giving both the Appropriations Committee and the Joint Committee more information than we have heretofore had as a matter of right.

I must say, on behalf of the Joint Committee, at least on behalf of myself, that the way in which the amendment was first worded was very unsatisfactory. But it has now been changed, and I think it is satisfactory at this time. I think we can all live under it without impairment of the efficiency of the atomic-energy program.

Perhaps I should at this time call the attention of the Senate to a couple of lines in the report of the Senate Committee on Appropriations which I should not want to let pass without making an adverse comment. I dislike criticizing the report of a committee, but I call attention to the fact that in the House report the House committee said:

> It is the understanding of the committee—

That is, the House Appropriations Committee—

> that diversions may be made from one program to another to meet emergencies or essential changes in a program which may develop since the committee hearings on the bill.

That is a provision which we must have and need to have in the atomic-energy program, because essentially it is a program which changes very rapidly, and we cannot have it solidified and put into a position in which changes cannot be made in accordance with developments made in scientific progress.

What I should like to refer to is the Senate committee's report. It says:

> In allocating the reductions the Commission is directed to make no change provided in the budget estimate for these programs.

The committee was referring to programs of procuring and processing source and fissionable materials and of weapons production, as well as that portion of the reactor program dealing with military needs. The committee says:

> In allocating the reductions the Commission is directed to make no change provided in the budget estimate for these programs.

It would be a very unhealthy thing if that request should be carried out in the atomic-energy program.

I call attention particularly to this language in the committee report:

> Curtailment of activity is thus recommended to be made in other fields of Commission operations, such as administration, community programs, biology and medicine, physical research, and to such aspects of reactor development as are not immediately necessary for national security.

Of course, it is impossible to break down programs of the Commission and say, "These are for military purposes, and these are for peactime purposes," because the reactor program is primarily designed for war purposes. Incidentally, out of there may, and I hope will, come much good in the future for peacetime research and peacetime use. But to say that reactor development can be restricted to wartime is like saying, "I shall buy an automobile and never go down anything but the main street." We are depriving ourselves of the use of something that is useful when we speak of the reactor program in those terms.

I should also like to call attention to the fact that the committee refers to the fields of biology and medicine, and physical research. To think that those fields have no effect on the military program is not in accordance with the facts, because the atomic results we have today have accrued by reason of the research which has taken place in this country within the past 15 years, and, of course, the research we have today, tomorrow, and in the coming fiscal year will have a very definite impact upon the future of weapons production, both as to quality and quantity.

As for biology and medicine, they are thought by the committee to be of solely

peacetime interest. If, God forbid, there shall ever be an atomic attack on this country, the extent to which our biological and medical research is promoted and advanced may have everything to do with the ability of the people of the United States successfully to defend themselves against such an attack.

The point I desire to make, Mr. President, is that when we take a part of the program and say, "This is for military purposes, and this is for peacetime purposes," it is absolutely impossible and it cannot be done.

I think the appropriation, as it now stands, will carry the Commission through, in view of the unobligated balances which exist because of the impossibility of the Commission's spending in this fiscal year the money which was appropriated so lately in the year through the deficiency appropriation, but I do want to make the point about the impossibility of treating the program as the Appropriations Committee wishes to do and saying, "Make all your cuts in this field, and do not make any cuts in the military field." It simply cannot be done.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. KEFAUVER. I should like to ask the Senator if he does not think we are entering upon a very bad policy in making the Director of the Bureau of the Budget an umpire with reference to a great part of the atomic-energy program.

Mr. McMAHON. At the present time the Commission has to go to the Bureau of the Budget with its requests just as do all other departments of the Government. I believe that with the daily access which the joint committee has to the Commission, and vice versa, it would be impossible for the Director of the Budget—and I am sure he would not want to do it—to impair its activity without its coming to the attention of the joint committee.

Mr. KEFAUVER. As I see it, it places in the discretion of the Director of the Bureau of the Budget the decision as to whether a new construction project may be started, even though there may be an urgent necessity for it, by virtue of wartime developments or essentials in connection with our defense. It places in the discretion of the Bureau of the Budget the right to veto the Atomic Energy Commission if it desires to start a new project, even though the cost may exceed the estimated cost by only $10. The Director of the Bureau of the Budget could veto it if he did not want to send a recommendation and a detailed description of the project to the Congress. Moreover, if the Atomic Energy Commission started a project and found in the public interest it should be diverted into something which would be more effective and useful, and the Director of the Budget was not in favor of it, he would have an absolute veto power over the Commission's conducting that project. I think this will result in diffusion of responsibility between the Atomic Energy Commission and the Director of the Budget and that the Director is given too much of a final say over a matter which should be decided upon by the Commission. The Commission has done a good job. Why water down and negative their responsibility? The Director of the Bureau of the Budget cannot be an authority on atomic energy. The step about to be taken will create confusion and lead us into trouble inevitably.

Mr. O'MAHONEY. Mr. President, if the Senator will yield to me, I merely wish to point out that, as the Senator from Connecticut has said, the Atomic Energy Commission must submit all its requests to the Bureau of the Budget. It was not exempted from the budget law.

This does not impose a new obligation. It merely indicates what the committee thought was a danger that the Atomic Energy Committee might change its plans without notice to the appropriating power in the Executive or in the Congress. The provision for submission to the Bureau of the Budget was made for the specific purpose of making it clear that an appeal could be made for Presidential authority.

Mr. KEFAUVER. Mr. President, I had always understood that appropriations for the Atomic Energy Commission, by their very nature, had to be more or less general in description, without designating so many million dollars for the building of K27 or so many millions for K30, or whatever the particular project might be, that is, that the Atomic Energy Commission had a general fund out of which they could carry on many operations.

Mr. O'MAHONEY. The Senator was mistaken in that thought.

Mr. KEFAUVER. Throughout the years I have had that idea.

Mr. O'MAHONEY. The Senator is quite mistaken. I hold in my hand the House committee report, page 6 of which contains a list showing the distribution of the cash appropriations, what the budget estimate was, what the committee recommended, and how much the reduction was. For example, the budget estimate for cash appropriations was for $365,000,000. That was what the House considered. It covered eight different categories—source and fissionable material, weapons, reactor development, physical research, biology and medicine, community program, and administrator services. And then transfer to Public Health Service. Each of these categories was separately considered by the Bureau of the Budget, with a great deal of detail. I could show the Senator the budget estimates presented to the committee, a thick volume, going into the objects of expenditure in the greatest detail.

The House committee made reductions of some $31,337,000 below the budget estimates. So both the budget and the committee of the House, as well as the committee of the Senate, went into the matter in great detail.

We had executive sessions, in which no record was kept, when there were off-the-record discussions, in which the Atomic Energy Commission detailed to us at great length, its most important and most secret programs.

Mr. KEFAUVER. Mr. President, I had always understood, and I thought it was greatly to the credit of the chairmen, and the ranking minority members of the appropriations committees, that in the beginning tremendous sums were authorized, appropriated, and set aside to the President to carry on the various atomic energy projects with most of the Members of Congress not really knowing very much about what the money was being used for.

Might we not get into another period, or is there not a possibility that we might, in the atomic energy program, when we might need to carry out that sort of procedure again, if we should become involved in an emergency?

Mr. O'MAHONEY. I would say that if such a time should come we would have no difficulty in adjusting ourselves to it. I am confident that the amendment which has been suggested by the committee is sound in all respects, and I know that the Atomic Energy Commission is satisfied with it. I may say to the Senator that in the drafting of the amendment I personally consulted not only representatives of the Atomic Energy Commission, and representatives of the Bureau of the Budget, but the Chairman of the Joint Committee on Atomic Energy.

Mr. KEFAUVER. May I ask whether any of these three sections applies to the securing of uranium or fissionable material on the part of the Atomic Energy Commission?

Mr. O'MAHONEY. No; they relate to construction.

Mr. KEFAUVER. How about construction for the purpose of procuring uranium or fissionable material?

Mr. O'MAHONEY. I know of no such construction.

Mr. KEFAUVER. Mr. President, I have a feeling that if this sort of limitation is to be inaugurated, we are starting it with the wrong agency, and from that point of view I want it known that I am voting against it.

Mr. LUCAS. Mr. President, I should like to ask the Senator from Wyoming a question. Any project the estimated cost of which exceeds $500,000 must be submitted to the Bureau of the Budget, to the Committees on Appropriations of the Senate and the House, and to the Joint Committee on Atomic Energy. Is that correct?

Mr. O'MAHONEY. That is correct; that is to say, the limitations on contract authority are not intended to apply to small jobs. The purpose is——

Mr. LUCAS. I understand the purpose. But, should the Atomic Energy Commission decide that a project was to cost, let us say, $10,000,000, and it was absolutely essential, a project as to which the Atomic Energy Commission alone should have certain information dealing with atomic secrets, even as to the kind of a building to be erected, if it were necessary to detail all the facts in reference to it, probably some secrets would

be disclosed involving the atomic activities of the Government.

Mr. O'MAHONEY. I think there is very little likelihood of any such development. I point out again to the Senator, as I said earlier, that the Atomic Energy Commission now goes to the Bureau of the Budget with respect to all these items. The purpose is merely to prevent a change from the plans which have been submitted to the Bureau of the Budget, and have been approved by the Congress, without notice to either or both.

Mr. LUCAS. Mr. President, if it were necessary to go through the Bureau of the Budget, through the respective Appropriations Committees, and then through the Joint Committee on Atomic Energy, it seems to me it would be a long time before the hearings would be completed on any sort of project costing over $500,000; there would be a long delay.

The VICE PRESIDENT. The question is on agreeing to the amendment, as modified, proposed by the Senator from Wyoming on behalf of the committee.

Mr. KEFAUVER. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

The VICE PRESIDENT. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. O'MAHONEY. Mr. President, by authority of the committee, I send forward another contract authority amendment. This is one dealing with the Maritime Commission.

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 52, line 23, after the word "That," it is proposed to insert "no part of this contract authority shall be used to start any new ship construction for which an estimate was not included in the budget for the current fiscal year, or to start any new ship construction the currently estimated cost of which exceeds by 10 percent the estimated cost included therefor in such budget, unless the Director of the Bureau of the Budget specifically approves the start of such ship construction and the Director shall submit forthwith a detailed explanation thereof to the Committees on Appropriations of the Senate and of the House of Representatives; and, as used herein, the term 'budget' includes the detailed justification supporting the budget estimates: *Provided further,* That."

Mr. O'MAHONEY. Mr. President, the reason for the amendment is that the appropriation bill as already approved carries an item of $50,000,000 of contract authority to be expended by the Maritime Commission. The purpose of the amendment, as in the case of the Atomic Energy Commission, is to throw a few salutary restrictions about the expenditure of that fund. It is an amendment designed to promote economy and to prevent waste.

Mr. MAGNUSON. Mr. President, I understand that is the same type of amendment as that placed in the Atomic Energy Commission provision.

Mr. O'MAHONEY. It is.

Mr. MAGNUSON. The purpose of the committee in offering it is to place a road block in the way of unusual expenditures which might exceed the budget estimates, and involve some violation of the contract authority. Is that correct?

Mr. O'MAHONEY. That is correct.

Mr. MAGNUSON. I ask the Senator from Wyoming the same question that was asked on the matter previously considered. Does the Senator feel that this type of legislation, which is similar to the other, should be subject for consideration as permanent legislation?

Mr. O'MAHONEY. Oh, yes; I do. Here is the proposition: We grant contract authority for $50,000,000. When the agency asks for that it presents to the Congress a justification. The Maritime Commission in this instance has set out a list of the type of vessels it would like to construct. That was its present idea. That was the idea upon which it sold the Bureau of the Budget the estimate which was made; that was the idea upon which it sold the committee on the recommendation the committee makes. Now, after having secured the authority, let us say the Commission desires to change its mind. If it does, we merely ask to be notified.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. TOBEY. Is this $50,000,000 the only appropriation for the Maritime Commission?

Mr. O'MAHONEY. Oh, no.

Mr. TOBEY. How much is the total appropriation?

Mr. O'MAHONEY. I will give the Senator that figure in a moment. This amendment deals only with contract authorization. We approved an appropriation of $63,054,424, which included new-ship construction, but not the authority which included the operating-differential subsidies, the operation of warehouses, maintenance of shipyards, and maritime training. That was another item.

Mr. TOBEY. How does this $50,000,000 contract authority compare with the same item of a year ago?

Mr. O'MAHONEY. While I am having that checked I will say to the Senator that the House authorized $70,125,000 for the purpose. The Senate committee reduced the amount to $50,000,000. The House grant was, as I recall, below the budget. The contract authority for last year was $75,000,000.

Mr. TOBEY. Is the Senator now speaking familiar with the modus operandi of the members of the Commission in their conduct of the job in the past 2 or 3 years?

Mr. O'MAHONEY. To a reasonable degree.

Mr. TOBEY. Particularly as it was called to the attention of the Senate by my colleague the Senator from Vermont [Mr. AIKEN].

Mr. O'MAHONEY. The matter which was called to our attention by the Senator from Vermont has been taken care of. The Senator from Vermont [Mr. AIKEN] yesterday moved that certain provisions of the bill be eliminated. His motion was carried.

Mr. TOBEY. I am very glad of that. The point I would make is that, as I know and as the Senator from Wyoming knows, the members of the Commission have been as far apart as is Dan from Beersheba in respect to many of the matters that have been considered and decided by the Commission. There has been some bad blood in the Commission. But now we have the saving grace of having a new chairman, a real man, General Fleming, and not the least of his attributes is that he comes from the hills of New Hampshire. Does the Senator realize that?

Mr. O'MAHONEY. The Senator from Wyoming has already commented very favorably upon that.

Mr. TOBEY. We who come from that State always try to get in a plug for it.

Mr. O'MAHONEY. And may I now talk about Wyoming?

Mr. TOBEY. Indeed the Senator may.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] on behalf of the committee, on page 52, line 23.

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, I now offer the third and last legislative amendment. This amendment deals with the appropriations made in the bill under which atomic energy fellowships are granted.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 63, after line 23, it is proposed to insert a new paragraph, as follows:

SEC. 102. (a) No part of any appropriation contained in this title for the Atomic Energy Commission shall be used to confer a fellowship on any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence or with respect to whom the Attorney General finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and loyalty of whom, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States: *Provided,* That any person who advocates or who is a member of an organization or porty that advocates the overthrow of the Government of the United States by force or violence and accepts employment the salary, wages, stipend, or expenses for which are paid from any appropriation contained in this title shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both: *Provided further,* That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law.

Mr. O'MAHONEY. Mr. President, this amendment is based upon an amendment which has been carried in every appropriation bill for several years, dealing with the payment of Government salaries to persons who belong to organizations which advocate the overthrow of the Government by force or violence. The committee found that even though the Atomic Energy Commission itself does not and has not selected the individuals who obtain these fellowships, inasmuch as the money they receive, the stipend they receive, comes out of the Treasury of the United States, there should be no distinction in the method

of handling; that they should be required to submit to the same oath and under the same conditions.

In drafting this amendment we referred to the provision of the Atomic Energy Act, which specifically requires that no person may be employed by the Atomic Energy Commission who has access to restricted data unless the Commission finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and loyalty of such person, that reasonable grounds do not exist that such a person is disloyal.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. HICKENLOOPER. To what amendment is the Senator referring? The one I have refers to the fellowship program.

Mr. O'MAHONEY. Yes; that is the amendment now pending.

Mr. HICKENLOOPER. I understood the Senator to say a moment ago that it referred to the employment of persons by the Commission.

Mr. O'MAHONEY. No; I said it was drafted upon the basis of the provisions of the Atomic Energy Act.

Mr. HICKENLOOPER. I misunderstood the Senator.

Mr. O'MAHONEY. We took the language from that act.

Mr. MORSE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Oregon?

Mr. O'MAHONEY. I will yield in a moment. Let me add this statement: Of course, there was considerable comment about the amendment after it was announced, by educators and by others. Dr. Bronk, head of the National Research Council, which in the past has made the selection of the individuals who were to have the fellowships, appeared before the committee. The fear was expressed that an amendment of this kind would have some deterrent effect upon young students who might apply for fellowships. I desire to point out that as the amendment is written it does not require an FBI investigation of those who merely apply to the research council. It requires an investigation only with respect to those who are recommended for appointment. In other words, the amendment takes the precaution of requiring that the Atomic Energy Commission, after a check by the FBI, shall make a finding with respect to the loyalty of persons to whom its funds will be paid in order that they may carry on their fellowship studies.

I now yield to the Senator from Oregon.

Mr. MORSE. Mr. President, I wonder if the Senator will make a clarifying statement as to his intent with respect to the language beginning in line 6 of page 1:

> Or with respect to whom the Attorney General finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and loyalty of whom, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States.

It is not the intention of the Senator, I assume, that this language should be subject to the interpretation that after the Federal Bureau of Investigation has submitted a report the Commisison does not at that point have the duty to pass its own judgment on whether or not the individual is the type of person who is disloyal.

Mr. O'MAHONEY. The Commission is the authority which designates the individual who will receive the fellowship. The Commission, therefore, must make a specific finding.

Mr. MORSE. The Senator is aware of the fact, is he not, that one of the concerns of educators who have protested the Senator's amendment is that they feel that in administration it may amount only to an investigation by the FBI, whose report will then be pro forma accepted. Educators feel that it would be an unfortunate precedent if we had in effect only the decision rendered by the FBI, in view of the fact that we do not have access to the sources of the FBI information, and do not have an opportunity to subject to cross-examination the confidential informants who put into the FBI files all sorts of testimony, much of it hearsay, much of it rumor, and sometimes very malicious and damaging information, without any basis of fact for it.

Mr. O'MAHONEY. I assure the Senator that I have very carefully checked into the operations of the FBI. I feel that that organization, in the work it has carried in connection with the loyalty program, and under other provisions of law, particularly the provisions of the Atomic Energy Act itself, has been very careful in observing the rights of individuals. The FBI has not given out any of this hearsay evidence or testimony, but it has made its reports to the respective agencies, and the responsibility lies with those agencies.

With respect to the Atomic Energy Act, provision was there made with respect to employees. I have heard no criticism of the activity of the FBI. It has made its investigation. It has made its report to the Atomic Energy Commission, and the Atomic Energy Commission has made the finding.

I believe that there is no ground for the apprehension which has been felt—reasonable though it may be on the part of many—that there will be any abuse by the FBI of its powers, or that the Commission will act without exercising its own independent judgment.

Mr. MORSE. Mr. President, I should like to dwell on this point, if I may, because I think it should be very clear in the RECORD at the time we act on this amendment. I wish to make it very clear that I think it is very important that we continue the investigative powers of the FBI.

Mr. O'MAHONEY. I am very glad to hear the Senator make that statement.

Mr. MORSE. I do not see how we can protect the security of the country if we do not entrust to the FBI the job of tracking down reports, and even rumors, in regard to questions concerning the loyalties of people who are given Federal appointments or who are to be the beneficiaries of Federal scholarships, for example. But I think there is one point, if I correctly understood the Senator, which we should make clear. I think it is true that there necessarily must, and I think should, go into the file of the FBI in the case of any individual, whom for the purpose of this discussion we will call Mr. X, all the information which the FBI collects about him, including hearsay and rumor, as well as the type of evidence which the FBI knows can be verified in fact.

With that material in the file I think it is very important at that point to provide adequate safeguards so that when the Government agency concerned comes to render its judgment—as I understood the Senator to say it would be required under his amendment to render—it will render its judgment only on evidence.

I have had a little familiarity with FBI reports in connection with the Government position which it was my fortune to hold at one time. I wish to say to the Senator that I think it is very important that when we get a report from the FBI we should know whether or not we are getting a report which is based upon evidence, or whether it is a report which simply sets forth the fact that within the jacket or file of the individual in the FBI there are a series of allegations concerning the individual. So I should like to know what is to be the basis of the FBI report to the Commission which grants these fellowships. If they are simply going to report, "Our investigation shows that allegations or charges have been made against Mr. X," and the Commission acts upon the basis of such a report, I say the educators then have cause for concern.

If, on the other hand, we can have assurance that the Commission is going to have submitted to it only evidence, not rumors, not allegations, not unsupported charges, but evidence as to the disloyalty of Mr. X, then I do not think any possible injury can be done an innocent person under this type of amendment. But I do not agree with the Senator if he means to say that when an FBI report is presently received, it may contain a great deal of material which he and I as lawyers know would not stand up as evidence in a court. I think the Coplan case itself would provide us with plenty of examples of what I am referring to.

Mr. O'MAHONEY. I am glad the Senator used the word "court." We are not dealing here with a trial. We are dealing with an act on the part of a government agency bestowing a great favor upon a student by giving a student a fellowship to pursue certain studies. No one has a vested right in a government job. No one has a vested right in a grant of a fellowship; and the Atomic Energy Commission, in approving the recommendations which are made to it, may make its decision upon any set of facts it cares to take into consideration, just as a Senator, in appointing his own staff, will render his decision as to whether or not to employ a certain person upon facts or circumstances which may have no evidentiary value at all.

The appointment of a fellow is not to be compared at all with the trial of an individual upon the basis of loyalty.

I have heard no attack which has been worthy of the name upon the procedures which have been followed by the FBI. As the Senator from Oregon has well said, he believes that if the FBI undertakes to gather information it must in all justice take whatever lead comes to it. The evaluation of that matter is not a task which the Department of Justice wants to take upon itself, because in that event we would be putting into the power of the Department of Justice the authority to exercise responsibility for the departments and agencies of Government. In the loyalty examinations the Department of Justice and the FBI have carefully refrained from coming to any conclusion or making any recommendations. They have made no recommendations to the Atomic Energy Commission under the Atomic Energy Act. They have merely reported what they have found. They will make no recommendations under this amendment. The responsibility for the payment of the fellowship stipend to the individual recommended for the fellowship will depend solely upon the Atomic Energy Commission.

Mr. SALTONSTALL and Mr. MORSE addressed the Chair.

The VICE PRESIDENT. Does the Senator from Wyoming yield; and, if so, to whom?

Mr. O'MAHONEY. The Senator from Oregon was pursuing this question. If he cares to allow the Senator from Massachusetts to ask a question, I am glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I wish to suggest something to the Senator from Wyoming which will emphasize the point. When we were considering this question in the subcommittee, did we not, in stressing this point, get an affirmative statement from a member of the Atomic Energy Commission that the Commission could not delegate to any group of college professors or anyone else the authority for choosing on the basis of the evidence? The Commission could get the advice of the college professors, but the decision as to who should have the fellowship was a decision for the Commission alone, and could not be delegated.

Mr. O'MAHONEY. I am very glad the Senator has called the attention of the Senate to that fact. It is the representation which was made.

Mr. MORSE. Mr. President, I hope the Senator will understand that my purpose is to clarify the record so that we shall know what the amendment means.

Mr. O'MAHONEY. I understand.

Mr. MORSE. I think we shall save time by proceeding in this way.

The Senator from Wyoming has pointed out quite correctly that no one has any right to a Federal position or, in this instance, to a Federal scholarship. But I wish to say that I hope every citizen of the United States will always be protected in his right to have his reputation protected from any procedure which might place an unfair blemish upon it, because I know of nothing which is more valuable to a person than his reputation and to be protected from false charges.

I wish to examine this amendment from the standpoint of its operation, because it is no better than the way it will operate.

I should like to know from the Senator from Wyoming whether, after the FBI makes its investigation—and I think it should make an investigation—the FBI then will submit to the Commission which grants the scholarship the contents of its files on the investigation, or whether it will simply submit to the Commission a statement that an investigation has been made and that the investigation shows that the loyalty of Mr. X is thrown into question by certain allegations which have been made by certain informants whose identity the FBI does not choose to disclose to the Commission. In other words, I am asking whether the Commission is to be deprived of the evidence or whether the Commission will have presented to it the evidence on the basis of which the findings of the FBI are made.

Mr. O'MAHONEY. Speaking for myself, I should dislike to have the FBI make any selection of the material which it was going to report, because if it did do so, it would be exercising discretion. In this case the discretion rests with the Commission. I should like to see the Commission have all the material, whatever its evidenciary value may be, the FBI has gathered.

Mr. MORSE. Including the source?

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. FERGUSON. Is it not the privilege of the Commission to require the entire record of the FBI as a part of its report? Otherwise, it would not be acting on the basis of the investigation.

Mr. O'MAHONEY. I should think so. The Commission must have whatever files the FBI has, in order to make an investigation as outlined in the amendment.

Mr. MORSE. Mr. President, will the Senator yield to me?

Mr. McMAHON. Mr. President——

Mr. O'MAHONEY. Mr. President, if the Senator from Oregon will pardon me for a moment, I should like to yield at this time to the Senator from Connecticut, who has to leave the Chamber in a few minutes. I am sure he will make a worth-while contribution, as he always does.

Mr. MORSE. Certainly.

Mr. McMAHON. Mr. President, let me say that I support the position of the Senator from Wyoming that the FBI should turn over to the Commission everything it procures in pursuance of its investigation.

Likewise, I agree with the Senator from Oregon as to the duty of the members of the Commission, under this amendment, as reasonable men to weigh the evidence which is presented to them.

What the Senator from Oregon is contending, I think, is that information secured from anonymous sources, from persons labeled as "T–1" or "T–2," should be evaluated by the Commission on the basis that reasonable men would use in giving any evaluation to such matters in connection with an investigation or examination of their own affairs.

Mr. MORSE. Mr. President, the Senator from Connecticut raises the next question I have had in mind, which I had begun to state, namely, whether the report of the FBI to the Commission not only will set forth the content of the evidence and information collected, but also will state the source of it. I think the Senator from Connecticut as a lawyer will agree with me that the source of it will in large measure determine the weight to be given to it.

Mr. McMAHON. Mr. President, I should like to say to the Senator from Oregon that, as I understand the situation, reports from the FBI frequently contain references to information which has been given by confidential informers known as A, B, C, D, E, F, or G, let us say. Frequently the only way in which the FBI can obtain it will not divulge the source of the information.

For myself, and contrary to the position of some Members of the Senate that any derogatory information submitted by the FBI or which may be contained in an FBI report ipso facto and by its ipsi dixit forever bars from employment the person thus reported upon, I wish to speak definitely against any such proposition. It seems to me that it then becomes the duty of the Commission, which has the whole file referred to it, to evaluate the reports. If I were on the Commission and saw reports from T–1, and T–2 and T–3, I am frank to say that I would not pay much attention to such confidential reports, but I would pay attention to testimony listed in the file by persons who were identified and whose information I could evaluate. In other words, we must weigh the importance of such information as against the importance of permitting the FBI to maintain the confidential aspect or nature of its informants.

I understand that the Senator wishes to have the information from T–1 and T–2 and T–3 sent to the Commission. Is that correct?

Mr. MORSE. I think it is very unfair to send to the Commission information which the Commission cannot check for reliability. I think the FBI should use its sources, because in that way I think it can obtain information which it can use in court, or, in this instance, before the Commission. But I wish to say that we need to be on guard, even in loyalty cases, against permitting the use of evidence from sources we cannot check because of the contention that to allow us to check on the sources would result in disclosing the identity of the informants, and thus would deprive the FBI of informants which it would not then in the future be able to use.

All I am cautioning against—and certainly there is no Member of this body who wishes to get at disloyalty any more than I do—is that in this country we constantly be on guard against the use of procedures which themselves can develop into serious abuses.

I have no objection to having the FBI use informants whose names the FBI does not wish to disclose, but I do object to having the FBI take evidence collected by such informants and use it before tribunals which have the discretionary duty of passing judgment upon the guilt or innocence of a person in respect to his loyalty to our country because I think that is subject to dangerous abuse.

I do not see why the FBI cannot take the information which it obtains from one of its secret agents—and it should have secret agents—and put that information into channels where it can be used without the necessity of disclosing the identity of the informant. However, if that cannot be done, then, as every good police department knows, sometimes, because it is impossible to use the best type of evidence which it is wished to use in a case, the next best type of evidence is used, which certainly will be better than subjecting a person to a charge which he cannot answer, or as to which he cannot defend himself, because he cannot discover the nature of the charge.

I think we should make perfectly clear that under this amendment, first, the Commission itself will exercise the judgment as to disloyalty; second, that its judgment will be exercised only on a record which the FBI submits to it, which record discloses the sources of the information, because, although the Senator from Wyoming says no student has the right to a fellowship, it seems to me he does have a right, if he is the type of brilliant young man eligible for a fellowship, not to be taken by his Government up to the point where it becomes known that he is being considered for a fellowship—and we cannot stop that information from leaking out—and then, if he is denied a fellowship, have the rumor go abroad that the denial was because he was not found loyal to his Government, when he did not have a chance to answer the evidence which was submitted against him before the Commission by secret information collected by the FBI, the source of which would not be disclosed. I say it is unfair to any American boy to blot his life with that type of charge, without his having an opportunity to answer the source of the information which caused the Commission to take action against him.

That is all I am pleading for. I want the investigations to be made. I want the Commission to deny a fellowship to any boy or girl who in the opinion of the Commission is not loyal to our Government. But I do not want the Commission to act on behind-the-curtain secret information which cannot be brought out into full daylight. That is what I am pleading for. If the Senator from Wyoming would only say that, when the report goes from the FBI to the Commission, it shall contain only the information based upon a source the FBI is willing to disclose, then I think we are giving everybody the protection to which he is entitled.

Mr. O'MAHONEY. Mr. President, frankly I could not make the last statement suggested by the Senator from Oregon. With everything else he says I am willing to agree, but I am not willing to say that there should be excluded from the consideration of the Atomic Energy Commission any information which the FBI has from a source which it is unwilling to disclose. I cannot agree to that.

Mr. FERGUSON. Mr. President, if the Senator will yield, I think we should appreciate that the President of the United States has within his control whatever information would be furnished by the FBI—that is, the Department of Justice—to the Commission, and I assume that the action of the Atomic Energy Commission in such a matter is of such importance that the President of the United States will not exclude from the Commission data on which it can base its judgment in determining the fitness of its employees.

The President of the United States has excluded from Congress certain information in loyalty tests, but he has done that because he claims the executive branch of the Government is not subject to investigation by the Congress. That, however, is not the case we have before us. We have here the executive branch of the Government itself being called upon by Congress to make an investigation, and for the executive branch itself to determine from the facts it obtains. I can see a reason why the President may say to the Joint Committee on Atomic Energy—I do not think he has ever said this in the case of the Atomic Energy Commission—"We will not let you see the files of the FBI." I am informed that the Atomic Energy Commission has never had any difficulty in seeing FBI files. It has not been treated on the same basis as a regular investigating committee of the Congress. But, be that as it may, even the President may exclude the information from the joint committee.

I am taking it for granted that when we say that the FBI is to make an investigation and report to the Atomic Energy Commission, the President will see to it, in view of the importance of this subject, that all the information the FBI has obtained goes to the Commission, and the Commission will then determine whether the person in question should obtain one of the fellowships.

The second paragraph of the amendment contains this proviso:

Provided, That any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence and accepts employment the salary, wages, stipend, or expenses for which are paid from any appropriation contained in this title shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both.

In other words, if a person who belongs to such an organization, or who advocates the overthrow of the Government, obtains a job, then the Attorney General would be able to prosecute him under this section of the act, and the Attorney General would have all the evidence; because after all the Attorney General is in complete control of the FBI. The Federal Bureau of Investigation is an Agency in the Department of Justice, and the Department would have all the evidence.

So I take it this amendment is sufficiently broad. In fact it authorizes the executive branch of the Government, that is to say, the President, to make such an investigation and then to pass upon the loyalty or disloyalty of a person before he is given a fellowship.

Mr. KEFAUVER. Mr. President, I am certain that all the Members of the Senate have the same objective in view of not awarding scholarships to any person who advocates or who is a member of an organization that advocates the overthrow of the Government, and on the other hand that no one wants to do an injustice to a student who has applied for a fellowship. In order to get the legislative history, which I think it is rather important—I wonder whether I could ask the distinguished Senator from Wyoming a question or two.

Mr. O'MAHONEY. Certainly.

Mr. KEFAUVER. As I understand, the necessity for this legislation is that the holders of the fellowships are not considered to be employees and therefore they do not come under the general loyalty test applicable to other employees of the Government.

Mr. O'MAHONEY. The Senator is correct.

Mr. KEFAUVER. I wonder then why it would not serve the purpose to define the holder of a fellowship simply as an employee of the Government, and let him come under the general procedure which has been so well established. That is the way I had rather see this problem handled.

Mr. O'MAHONEY. Apparently the committee did not think of that approach. They felt that this was the best way to handle it and to have it deal expressly with the Atomic Energy Commission.

Mr. KEFAUVER. As I understand, the Commission, of course, makes the final determination upon the evidence submitted.

Mr. O'MAHONEY. That is correct.

Mr. KEFAUVER. But can the Commission consider other evidence than that submitted by the FBI?

Mr. O'MAHONEY. Oh, certainly.

Mr. KEFAUVER. That is, the Commission has a right, I take it——

Mr. O'MAHONEY. The commission is not confined by anything in the amendment to consider only what it gets from the FBI.

Mr. KEFAUVER. Then the Commission, if it had a quasi-adverse report from the Federal Bureau of Investigation, one that might be cleared up by an examination of the party involved, would have a right to call the prospective fellowship holder in for examination and for investigation, for the purpose of clarifying some matter in the FBI report, is that correct?

Mr. O'MAHONEY. Nothing in the amendment would prohibit that.

Mr. KEFAUVER. They would have a right to do that, would they?

Mr. O'MAHONEY. That is my understanding, unless it is prohibited by the Atomic Energy Act; and I do not think it is.

Mr. KEFAUVER. The language of line 7, page 1, seems to be somewhat restrictive, "upon investigation and report by the Federal Bureau of Investigation."

Mr. O'MAHONEY. That merely means that there shall be such a report.

Mr. KEFAUVER. I was afraid that might be interpreted as meaning that that would be the sole report they would have to go by. I am glad to know that is not the case.

Mr. O'MAHONEY. Oh, no; I assure the Senator that is not the case.

Mr. KEFAUVER. Another question I wanted to ask was whether an applicant for a fellowship, who receives an adverse report, has, under the administrative procdure, the right to appeal.

Mr. O'MAHONEY. I would not know of any right in any applicant for a preferment to appeal from a decision, any more than there would be a right on the part of an applicant for a position in a Senator's office to appeal from the Senator's rejection of his application.

Mr. KEFAUVER. Whether it be a right or not, I wondered whether the Senator had considered that the administrative procedure act would apply to a ruling by the Commission that student A was not eligible for a fellowship. I would like to see a provision inserted whereby a scholarship holder could have a hearing or an appeal to answer charges made against him.

Mr. O'MAHONEY. I think it would not apply.

Mr. FERGUSON and Mr. PEPPER addressed the Chair.

The VICE PRESIDENT. Does the Senator from Tennessee yield; and if so, to whom?

Mr. KEFAUVER. I yield to the Senator from Michigan.

Mr. FERGUSON. Mr. President, I should like to say, in relation to the kind of case which has been cited, that the Atomic Energy Commission has very important functions to perform. One of its functions is to guard the secret of the making of atomic bombs and secrets in connection with atomic energy. I should hate to see the Senate of the United States transfer that very vital task to an appeal board.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McMAHON. The Senator does not think, does he, that this amendment will do anything to guard any secrets in connection with non-secret fellowships? The ratio of non-secret to secret fellowships is 3 to 1. Does the Senator believe we are going to guard any secrets by investigating a number of young people who are engaged in laboratories around the country in non-secret fields?

Mr. FERGUSON. No. I do not know why the Senator should ask that question.

Mr. McMAHON. I thought the Seator said the amendment was designed to keep secrets.

Mr. FERGUSON. Certain fellowships involve access to atomic secrets.

Mr. McMAHON. Yes; and they are covered under the present law, because anyone who has access to secret data must, under the provisions of the act, be investigated by the FBI. The young people who have fellowships in nonsecret work study biology, chemistry, and physical science, in the laboratories of the country, and the amendment would provide that they be investigated before they are retained on the payroll.

Mr. FERGUSON. Coming back to the proposition of trying to distinguish between those who work upon secret and nonsecret data, the Appropriations Committee discovered in the hearings that the line of demarcation between secret and nonsecret was such that the Commission itself does not want to take the responsibility of determining what was secret and what was not secret. I do not think there is a member of the Appropriations Committee who does not understand that the Commission does not want to take that responsibility.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. O'MAHONEY. Let me remind the Senator from Michigan that one of the members of the Commission testified before the committee and indicated his doubt as to where the division was between secret and nonsecret data. In the case of isotopes which are exported there was a great debate as to whether we were opening the door to the dissemination of information which should have been kept secret. Certainly I cannot determine what is secret and what is nonsecret. I see no difference between those persons who have access to secret data in a weapons plant and those who have access to isotopes in a biology laboratory. I do not see that they stand in a different category.

Mr. FERGUSON. Mr. President, the testimony was just as the able Senator from Wyoming has stated it. The line of demarcation is impossible to be drawn. Therefore the committee felt that the way to treat all these fellowships was on one basis, so there would be no distinction. There was a reason for it. One man may work in a school on secret material; another may work on what might be classified as nonsecret work, but the two men are working as scientists, both fellows under the United States Government. It was impossible to say what was secret work and what was not secret work. So the committee did the best thing it could do, and the only safe thing for it to do, and that was to put them all on the same basis.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McMAHON. Of course, Mr. President, to be absolutely logical, I shall not oppose this amendment, especially in view of the colloquy which took place between the Senator from Oregon [Mr. MORSE], the Senator from Wyoming [Mr. O'MAHONEY], and myself; but I should like to point out to the Senate that what we are doing is imposing a test upon students who are the beneficiaries of the Treasury of the United States which we do not impose on any grant we give to students in any other field or in any university. For instance, we do not require the recipients of GI scholarships to be investigated. We do not require any student in a land-grant college to be investigated, and I hope we never shall.

I should like to point out that if we were to be absolutely logical we would require an FBI investigation of every employee of every contractor who is working for the Commission. We require FBI investigations of persons who have access to secret data. It is not required of those who do not have such access. For instance, the General Electric Co. has X number of employees who have been investigated by the FBI because they have access to secret data. There are hundreds of employees at other locations and at other installations of the Commission who do not, under the law, have to be examined by the FBI. I rather regret that the emphasis is on the scientific-minded young men whom we desperately need to train. I do not want, by my acquiescence, to cast any shadow upon them as indicating that I believe they are peculiarly not loyal to the Government, in opposition to thousands of contractors' employees who work for the greatest corporations in the country and who have a better opportunity to be disloyal and to corrupt the program than do young men who are working in laboratories and who do not have access to secret data.

Mr. DONNELL. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator from Michigan has the floor.

Mr. FERGUSON. I should like to answer the Senator from Connecticut by merely citing what the testimony showed. The testimony showed that the young men holding fellowships and dealing with the substance of the work of the Atomic Energy Commission discovered at times in their scientific research certain very secret information. The evidence showed that they were required to report to the Commission the fact that they had discovered such very secret information with reference to how atomic energy works and how it may be controlled, and so forth. So we are dealing with an entirely different field from that involving contractors, who may have a man digging a ditch who has no access to any secret information.

Mr. McMAHON. Yes; but he might break into a building and steal something.

Mr. FERGUSON. That might happen, and that is why we have the security safeguards around the plants, so as to keep any one from breaking in and stealing material. But at least he would have to steal something; whereas in the case of fellowships we hand it to him and let him work on it. In the case of isotopes, it may be that one could develop the same thing from the isotope as from some of the other substances.

Mr. MAYBANK. Mr. President, when the Army operated these plants, were not the employees of every contractor were checked.

Mr. FERGUSON. I understand they are checked.

Mr. MAYBANK. Of course, they were.

Mr. McMAHON. Mr. President, they were checked, I will say to the Senator

from South Carolina, by the security division of the engineering branch. With the passage of the act under which the Commission is operating, it was required that everyone who came into the program, or everyone who had access to secret data, everyone who was already employed, should be reinvestigated. As a result of that reinvestigation, the Commission has found it necessary, in the 2½ years which have passed, to discharge some people because they did not meet the standards of loyalty, character, and association.

Mr. MAYBANK. That was testified to us in executive session.

Mr. McMAHON. That applied particularly to the characters and associations of some of the employees.

I wish to point out again, before we depart from this subject, that the nonsecret fellows, truly, in my opinion, should not be supported by the Atomic Energy Commission. They should be supported by the National Science Foundation, and I hope that when the National Science Foundation comes into existence—and I trust the bill creating it will be passed at this session—then the necessity for investigations of nonsecret fellows will disappear. I have reluctantly been going along with this amendment on the theory that the law as it is now, without the amendment, takes care of the fellows in restricted work, and that after this year the fellows in the nonsecret fields will be taken over by the National Science Foundation.

Mr. DONNELL. Mr. President, in the hope that I may have the ear of the Senator from Wyoming, I should like to make an observation, with the further hope that he will give me the light which I am seeking. The pending amendment starts out by prohibiting the use of any part of the appropriation contained in the title for conferring a fellowship on any person, and so forth. It then contains on the second page a proviso which takes up quite a different subject, namely, the penal provision with respect to any person who shall accept employment "the salary, wages, stipend, or expenses for which are paid from any appropriation contained in this title."

The information I should like to have is this: Does the Senator from Wyoming consider that it would be appropriate, or inappropriate, to insert in line 6 on page 2, immediately following the word "employment," the words "or a fellowship," and immediately following the comma next following the word "stipend" the word "grant" and a further comma, so that the penal provision would read as follows:

> That any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence and accepts employment or a fellowship the salary, wages, stipend, grant, or expenses for which are paid from any appropriation contained in this title shall be guilty of a felony.

Mr. O'MAHONEY. I should have no objection to that amendment. I think it merely restates what we have already tried to state, but if the Senator wants to offer it as an amendment to the committee amendment, I shall have no objection.

Mr. DONNELL. Mr. President, I respectfully offer the amendment to the amendment.

Mr. FERGUSON. Mr. President, the reason why that language was not inserted was that the word "stipend" was the language used in the committee to describe the sum of money which went to pay a fellow.

Mr. DONNELL. I should have no objection to leaving out the word "grant," but I think the general expression, or the frequent expression, with respect to money going to the holder of a fellowship, is "grant." Therefore I respectfully move that the amendment be amended by inserting in line 6, on page 2, after the word "employment", the words "or a fellowship," and after the word "stipend" and the comma the word "grant" and a comma.

The VICE PRESIDENT. Without objection, the amendment to the amendment is agreed to.

Mr. PEPPER. Mr. President, I am personally very much pleased that the Senator from Tennessee called attention a few moments ago to the language in lines 6, 7, and 8, on page 1, which might justify the assumption that it was the intention of the bill that the Commission should be governed only by the testimony and the report of the FBI, because the language reads:

> No part of any appropriation contained in this title for the Atomic Energy Commission shall be used to confer a fellowship on any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence or with respect to whom the Attorney General finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and loyalty of whom, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States.

Had the record not been made very clear, it seems to me that that language might have justified the Commission in inferring that it was the intent of the Congress that it should be bound by the recommendations of the FBI in this matter. I am glad to have the assurance of the able Senator in charge of the bill that it is not intended to limit the witnesses or the information which the Commission may receive merely to what is furnished by the Federal Bureau of Investigation. They have a perfect right to make an inquiry which satisfies them, and to hear any other evidence which the Commission may desire to hear bearing upon the subject, and make a decision thereon.

Mr. O'MAHONEY. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. O'MAHONEY. I desire to amend only one word which the Senator used. He used the word "recommendation" with reference to the FBI.

Mr. PEPPER. I should have said "report."

Mr. O'MAHONEY. The amendment gives no authority to the FBI to make a recommendation.

Mr. PEPPER. It does give authority to make an investigation and report.

Mr. O'MAHONEY. That is correct.

Mr. PEPPER. I imagine the report would be in the nature of a recommendation, or conclusion, at least.

Mr. O'MAHONEY. No; I hope that they will make no conclusion. They will make their investigation and report. The final, complete responsibility rests with the Commission, and it may receive any information from any other source. We are only saying, "You must get some information by an investigation and report of the FBI."

Mr. PEPPER. Mr. President, I regret very much that the Senator from Wyoming did not seem disposed to accept the suggestion made by the Senator from Tennessee a moment ago that we merely provide that those recommended for these scholarships should be treated as employees of the Atomic Energy Commission and subject to the same rules and regulations to which other employees are subject. If that were done, there is already a prescribed procedure they follow with respect to employees, and, as I understand, there is a board which functions in respect to that matter. It would have seemed to me very much better merely to have assigned the recipients of the scholarships to the category of employees, which include the employees even for the most secret work, and they could all be dealt with similarly. But the Senator did not seem disposed to accept the suggestion, and neither the Senator from Tennessee nor I was inclined to offer the amendment as an amendment to the floor.

Mr. President, I wish to say just this last word. The Senator from Michigan a while ago talked about the gravity of these secrets, and he laid great stress upon the protection of the security of the Republic. This Nation was founded upon the philosophy of the protection of the individual, and I think today, especially when we get into the sacrosanct field of atomic energy, there is a tendency to forget the civil rights of the citizen, and to subordinate every private interest to what is presumed to be the public security.

Mr. President, the character of a young man is a fragile thing, and it may be that upon some ill report a young man with a brilliant future may be condemned for the rest of his life to frustration and defeat, and to be considered disloyal to his country. That may result simply because a police agency—and the FBI, excellent as it is, is nothing more—may report some hearsay remark that a person with some ax to grind may make about the family, or the friends, or the association, or a chance remark of a young man in one of the irresponsible periods of his life.

There is no right of appeal given in the amendment to a young man who wins this honor but is denied it because the FBI says something against him that may cause the Commission to consider that he is not a fit subject. He is condemned without a hearing, unless they choose to give him a hearing, notwithstanding that his merits or even his character may justify the trust and the award which otherwise he would receive.

I have only this to add, Mr. President. In 1938 I was in Nuremberg, and sat in

at the Nuremberg Conference. Herman Goering was presiding. Hitler, Ribbentrop, and others in that galaxy of evil geniuses sat on the platform. Near to me was a man who could speak German as well as English. As the speakers spoke from time to time to an audience of 22,000 Nazis, the man would give us a sort of running summary of what the speakers were saying. One man was speaking, and the man who was interpreting for us said the speaker was the head of the department of justice, as it were, of Germany. I noticed the humor with which his remarks was received. I noticed how the audience laughed and seemed delighted at the derision that I could tell was contained in his utterances. Finally I asked the gentleman who was telling us something of what was said, what it was the audience was laughing at, and what was the point the speaker was making. "Why," he said "he is ridiculing the obsolete and archaic and outmoded Anglo-American jurisprudence and all its implies. He is pointing out that in the Nazi state they have set up the people's court to protect the public interest, while in England and in America a man cannot be convicted unless there is a written statute on the books denouncing as a crime what he has done, but under the enlightened and advanced procedure devised by the Nazis, the peoples court could judge a man to be a criminal, whether he had violated any written statute or not." That is what they called enlightened.

We have many technicalities in our courts, and many people complain about them; and the law's delay has been obnoxious from the time we set-up our juridical system, but Mr. President, the emphasis is upon the welfare of the individual. There are many criminals who go free because of technicality in the criminal law. But it is a part of the American philosophy that when we are dealing with the lives of the citizens of our country it is better for many guilty men to go free than for one innocent man to be hanged. Yet today, in the penumbra of atomic energy, the reputation of an innocent man can be hanged and there is hardly anyone who dares defend him without himself being smeared for trying to speak for another's civil rights. I think this is an illustration of it. Any Senator on this floor who votes against the amendment could be made the object of an evil attack by any sinister enemy he had, to the effect that he, the Senator, was protecting the Communists, whereas he was merely trying to protect the rights of Americans in their enjoyment of American liberty.

This kind of thing is subject to the gravest of abuse. Whenever we turn the civil liberties of America over to the tender mercies of any police agency it is a dangerous encroachment upon the protections we have drawn so long around our people.

I do not suppose in this era there is anything we can do about it except let this hysteria run its course and let the innocent suffer with the guilty in the larger interest we are trying to protect. But, Mr. President, it has not been the general philosophy of this country; and when these excursions are made into this dangerous territory certainly the advocates of these measures should throw around our people every possible safeguard against abuse which can be devised.

Mr. O'MAHONEY. Mr. President, no one could speak more eloquently, I am sure, than the Senator from Florida, in defense of civil rights. I echo every word he has said with respect to the dignity of the individual and the right of the individual, under our system, to be protected. I approve of everything the Senator has said. But we are confronted with a condition of fact which may easily make it difficult for any individual anywhere to preserve his liberty unless we take proper safeguards against the infiltration of those who would destroy our system.

What greater contribution can a young scientist make to the American ideal of living and the American theory of Government, and the freedom for individuals we are trying to protect here, than by willingly subjecting himself, maybe to some annoyance, maybe to some misunderstanding, maybe to some wrong even, so that those agents of totalitarian power whom we know to be seeking to obtain the information in question in order to use it against freedom, may not secure it?

I say to my colleagues of the Senate that the student of America who is conscious of the great opportunity that is presented in America, the student who is conscious of the great objectives which the founders of this Nation had in mind, will not want to run the risk of having that structure torn down by the infiltrators from totalitarianism just because perhaps someone may suffer.

There is many a boy who lost his life in the war unnecessarily and wrongfully, but the sacrifice was made for the common good.

I say to the Senate that the record before us shows that the loyalty investigation of Government employees, which was required by Executive order of the President of the United States, has been carried on with exemplary care to avoid the infringement of civil rights. I say that the work of the executive agency in carrying on this loyalty investigation was made necessary by the facts before us. I think it is a matter of great pride to every American, and particularly to every Member of Congress, that the results of that investigation demonstrate that only an infinitesimal number of those who have been employed by the Government have been in any degree or sense disloyal. But we had evidence before us, Mr. President, that there were those who were disloyal, and the committee felt that it could not take the responsibility of opening the door for a continuation of that type of attack upon everything for which the Government of the United States stands.

Mr. President, I believe the amendment should be adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY].

Mr. FERGUSON. Mr. President, I simply cannot let pass the remarks made by the distinguished Senator from Florida [Mr. PEPPER]. He has indicated, in a way, that what the Senator from Michigan has said——

Mr. PEPPER. Mr. President, if I said anything to reflect upon the Senator from Michigan, I certainly did not intend it. I was speaking about the point of the argument, but I certainly did not intend to in any sense of the word a reflection upon the Senator from Michigan. If I unintentionally said anything that was offensive to the Senator, I apologize to him. I was addressing myself to the argument, and I do not retract what I said with respect to that; but if I said anything which in any sense of the word could be regarded as offensive, I apologize.

Mr. FERGUSON. I am going to reply to the argument, or the insinuation that the Senator from Michigan may not be interested in the civil rights of the individual. The Senator from Michigan wants to protect the righs of the individual. He wants to protect the rights not only of citizens, but of all the people who are residents of the United States. He feels that the one way to protect them is to have something in the law concerning atomic energy which will protect them. The United States Government has assumed the obligation, on behalf of all the citizens of the United States, to provide for the national defense. There are a few left who believe that if those who are opposed to the fundamental principles and institutions of our Government had the atomic bomb, if they had the know-how and the capacity to make the atomic bomb, we would not be in a cold war today. We would be in a hot war. So the Government of the United States owes an obligation to the citizens of the United States to see that the secrets of the atomic bomb are not given to anyone else. That is all we are trying to accomplish by this amendment.

Certainly there are rights of the individual; there are rights of groups of citizens; but when we come down to the fundamental principle of atomic energy and what it can be used for, we know that it could take from the Government and from the people their liberties if knowledge of it were possessed by others. I think the time has come for the Government of the United States to step in and say that at least we are going to protect, so far as possible, the individual citizen from being destroyed by someone who would use this weapon for his destruction.

That may be said by some to be taking away individual liberties and civil rights. But it is plain that no one has a civil right to a fellowship to study and conduct research in atomic energy; and if he has no civil right or any other right to work in that particular field, how can it be said that he has been deprived of anything when we give to the executive branch of the Government the authority to say whether or not he should be employed in that particular field? That is all we are doing by this amendment.

So let us not become hysterical over the civil rights of the individual. In this

particular case we are dealing with a very dangerous weapon, one with respect to which the Congress has seen fit to grant the Government a monopoly, prohibiting anyone from obtaining information concerning it except those to whom the executive branch wishes to give such information.

So I hope we may take the broad view, the protection of each and every individual, including women and children, the mothers and fathers back home, who are not here to protect themselves. Let us do all within our power to see that so far as the Congress is concerned, no enemy of the United States shall obtain this information.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] as amended.

Mr. TAYLOR. Mr. President, I agree with the Senator from Florida when he says that anyone opposing this amendment subjects himself to slander and unfair accusations as to his loyalty and devotion to this country. Nevertheless, I wish to make it plain that I am opposed to the amendment. I could make a point of order against it and ask for a yea-and-nay vote. I do not intend to do so, because I do not think it would alter the situation. So I have nothing to gain by rising to speak. I have no serious hope of stopping the amendment.

Mr. President, I have talked with atomic scientists. I know that they do not want the amendment. They feel that it would hurt the program. Scientists are not going into the program because of these investigations, and the onerous conditions attached to employment with the Atomic Energy Commission.

Mr. HICKENLOOPER. Mr. President, will the Senator yield for a question with respect to the last statement he has made, about scientists not going into the program?

Mr. TAYLOR. I yield.

Mr. HICKENLOOPER. The record shows that there is no shortage of scientists in the program. There are more scientists in the program today than ever before. Each plant in the atomic energy program has very little difficulty in getting scientists, according to the testimony of the commissioners themselves and the plant managers. So wherever the Senator gets his information that scientists are not going into the program today, that source of information is not informed on the facts and the record.

Mr. TAYLOR. I am happy to have the correction from the Senator from Iowa. Of course, there are scientists and scientists. I recently read an article by Dr. Harold Urey. Certainly he is a reputable scientist. He is one of the men who perfected the atomic bomb. He made the statement that all the hullabaloo of investigation and character assassination was hurting the atomic energy program. I think I can take his word. His statement was published in the press. It was not made in any secret conference.

Mr. President, I feel that the hysteria which has seized the country is playing into the hands of our enemies. I feel that we are really letting the Russians run the show for us. We are adopting their methods. I think our greatest weapon against totalitarianism is the freedom we have. We are sacrificing that freedom in the name of fighting totalitarianism, and I cannot go along with such a policy. I want the RECORD to show that I am opposed to the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY], as amended.

The amendment, as amended, was agreed to.

Mr. McMAHON. Mr. President, I call up for consideration an amendment which was submitted a few days ago, providing for the use of $2,700,000 of the amount appropriated in this bill for transfer to the Navy Department for use in connection with the Arco, Idaho, site.

The VICE PRESIDENT. The amendment offered by the Senator from Connecticut will be stated.

The LEGISLATIVE CLERK. On page 10, line 5, after the word "responsibility", it is proposed to insert the following: "*Provided further*, That not to exceed $2,700,000 of the amount herein appropriated may be transferred to the Department of the Navy for the acquisition, construction, and installation, at a location to be determined, of facilities (including necessary land and rights pertaining thereto) to replace existing Navy facilities at Arco, Idaho, which latter facilities are hereby authorized to be transferred by the Secretary of the Navy to the Commission for its purposes."

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. McMAHON. I yield.

Mr. FERGUSON. Does this amendment increase in any way the appropriation, or is it merely a transfer?

Mr. McMAHON. It is merely a transfer. It provides authority for the Commission to take out of the funds Congress has appropriated this amount of money to reimburse the Navy for the installations the Navy is giving up at Arco.

Mr. FERGUSON. I thank the Senator.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. McMAHON. I yield.

Mr. WHERRY. Those funds will be taken out of the appropriations for the Atomic Energy Commission; will they?

Mr. McMAHON. Oh, yes.

Mr. WHERRY. They will not be taken out of the total appropriations carried in this bill?

Mr. McMAHON. It is very definitely to be taken out of the appropriations for the Commission.

Mr. WHERRY. I thank the Senator.

Mr. FERGUSON. Mr. President, will the Senator yield to me again?

Mr. McMAHON. I yield.

Mr. FERGUSON. Let me say that I hope the Senator from Wyoming will take this amendment to conference, so that it may be dealt with there.

Mr. O'MAHONEY. I hope that may be done.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. McMAHON].

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, there are two items which are in the nature of a committee amendment, but actually are not. I have here a letter from Assistant Secretary of State Ernest A. Gross, calling attention to the fact that the committee in its report had deleted an item for the implementation of Public Law 865, of the Eightieth Congress, approved on July 1, 1948, providing for medical care and treatment for certain veterans in the Philippines. His letter states:

> This item included $9,400,000 for construction of hospitals and $3,285,000 for hospitalization as authorized in Public Law 865.

Both these items were budgeted. I shall offer them as amendments, but I ask that they may be taken to conference, where the Senate conferees will be free to go into the matter.

At this point I ask that the amendment be stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 62, after line 10, it is proposed to insert a new paragraph, as follows:

> Grants to the Republic of the Philippines: For payments to the Republic of the Philippines of grants in accordance with the act of July 1, 1948 (Public Law 865), for (a) construction and equipping of hospitals, $9,400,000, to be immediately available and to remain available until expended, and (b) expenses incidental to medical care and treatment of veterans, $3,285,000.

Mr. O'MAHONEY. Mr. President, in connection with the amendment, I ask unanimous consent to have printed at this point in the RECORD the letter I have received from the Assistant Secretary of State.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> DEPARMENT OF STATE,
> *Washington, July 12, 1949.*
>
> The Honorable JOSEPH C. O'MAHONEY,
> *United States Senate.*
>
> MY DEAR SENATOR O'MAHONEY: The Department understands that the Committee on Appropriations of the Senate has reported out the Independent Offices appropriation bill (H. R. 4177) but that the committee report has deleted an item for the implementation of Public Law 865 of the Eightieth Congress approved on July 1, 1948, providing for medical care and treatment for certain veterans in the Philippines. This item included $9,400,000 for construction of hospitals and $3,285,000 for hospitalization as authorized in Public Law 865. The Veterans' Administration was not able to have this item included in the original budget for 1950, but it was sent to the Senate by the President in Senate Document No. 44 as a budget amendment.
>
> The Department on June 7 concluded an agreement with the Philippine Government for the implementation of Public Law 865 and is now in receipt of a telegram from our Chargé in Manila stating that press stories on the possibility of eliminating this item have reached Manila. The Chargé feels that failure to include these funds in the current bill would be a severe set-back to the veterans' program in the Philippines and that it

would be particularly unfortunate in view of the recent favorable publicity accorded at the signing of the agreement. The agreement of June 7 included a safeguarding clause which provided that implementation of the act would be subject to the availability of appropriations, but the failure to make the nccessary funds available to do so will nevertheless place this Government in an embarrassing position. There is widespread feeling in the Philippines that the provisions of Public Law 865 did not discharge in full our obligations to Philippine veterans and the Department has been under considerable pressure to support additional legislation for the extension of further benefits to Philippine veterans, and it is a matter of record that Public Law 865 as finally enacted carried out only in part recommendations which had been sent to the Congress by the President.

As a result of this feeling and the further fact that the people of the Philippines are seriously disturbed by recent events in the Far East, the failure to make appropriations available to carry out the agreement of June 7 and the provisions of Public Law 865 could have very serious repercussions. It might be interpreted in the Philippines and perhaps elsewhere to indicate a lessening of interest on the part of the United States Government and a withdrawal of support from elements which had heretofore demonstrated friendly feelings toward the United States. A further complicating factor in this situation is the fact that in November of this year a Presidential election is to be held in the Philippines, and this action might be seized upon by people not friendly to the United States who would claim that it was futile to look forward to close association with the United States Government which could not be depended upon to carry out agreements to which both the Congress and the administration were committed.

For the foregoing reasons the Department looks upon this matter as one of considerable urgency and hopes that it will be possible to restore this item in the appropriation bill.

The Department has noted that on July 8 you filed a motion to suspend the rules to introduce certain amendments to the bill on the floor and expresses the hope that you will find it possible under the rules to introduce also the attached proposed amendment, which would accomplish the purposes desired. Owing to the urgency of the matter it has not been possible to secure formal concurrence from the Veterans' Administration and the Bureau of the Budget, but this proposal has been discussed informally with both agencies, and the Department is authorized to state that the foregoing meets with their approval.

Sincerely yours,

ERNEST A. GROSS,
Assistant Secretary
(For the Secretary of State).

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. Certainly.

Mr. WHERRY. As a member of the subcommittee and also of the full committee, I ask if the Senator will state whether any justification was made for this item?

Mr. O'MAHONEY. Oh, yes; there was testimony in justification.

Mr. WHERRY. I did not hear it.

Mr. O'MAHONEY. The Eightieth Congress passed a law specifically granting this.

Mr. WHERRY. I understand that.

Mr. O'MAHONEY. And the justification was that in compliance with that law, we were to build the hospital, and that this estimate is the estimate of what the cost will be, and that the $3,285,000 is the estimate of the expenses incident to medical care and treatment of the veterans.

Mr. WHERRY. Mr. President, will the Senator yield for a further question?

Mr. O'MAHONEY. Certainly.

Mr. WHERRY. Was the Bureau of the Budget consulted about this item?

Mr. O'MAHONEY. The Bureau of the Budget submitted the estimate, but we cut it out.

Mr. WHERRY. What did the House of Representatives do?

Mr. O'MAHONEY. My recollection is that this was not considered by the House of Representatives.

Mr. WHERRY. Why was it not considered by the House of Representatives, if there was a budget estimate? Did the budget estimate come here after the House had passed the bill?

Mr. O'MAHONEY. The House did not consider all the budget estimates. Let me read the letter from the Assistant Secretary of State.

Mr. WHERRY. First, let me inquire whether the Budget Bureau recommended the amount to the House of Representatives. I should like to ask about this, because I think both the Senator from Wyoming and I are trying to accomplish the same thing.

Mr. O'MAHONEY. The budget estimate did not go to the House. It came to the Senate and was submitted in Senate Document 44, which called for grants to the Republic of the Philippines in the amount of $12,685,000.

Mr. WHERRY. Mr. President, if the Senator from Wyoming will yield further, let me say I understand that the answer is or must be, from the Senator from Wyoming, that the budget estimate was not submitted to the House of Representatives.

Then I ask this question: Was that because the evidence was not ready at the time?

Mr. O'MAHONEY. I understand that to be the fact.

Mr. WHERRY. Then the budget estimate was prepared and was presented to the Senate. Is that correct?

Mr. O'MAHONEY. The Senate committee considered it, but did not vote to adopt the amendment. But after that action, the chairman of the subcommittee received this letter, in which it is pointed out that on June 7 the State Department had concluded with the Philippine Government an agreement for the implementation of Public Law 865 of the Eightieth Congress; and the letter states that the State Department "is now in receipt of a telegram from our chargé in Manila stating that press stories on the possibility of eliminating this item have reached Manila. The chargé feels that failure to include these funds in the current bill would be a severe setback to the veterans' program in the Philippines and that it would be particularly unfortunate in view of the recent favorable publicity accorded at the signing of the agreement."

So, Mr. President, I submit that if we are permitted to take the item to conference, the conferees will be free to go into the matter there in more detail.

Mr. WHERRY. Did that letter come after the subcommittee acted?

Mr. O'MAHONEY. Yes; it is dated July 12.

Mr. WHERRY. So it is new evidence, evidence which was not before the subcommittee. Is that correct?

Mr. O'MAHONEY. Precisely.

Mr. WHERRY. And it is on the basis of that new evidence that the chairman of the subcommittee believes the amendment should be adopted and taken to conference. Is that correct?

Mr. O'MAHONEY. Yes. This came after the full committee made its report. I pointed out that I was not familiar with the amendment, that the letter had been received, and that I would offer the amendment with the understanding that it be reviewed in conference. Before making the presentation of the amendment here, I presented the letter to the senior minority member of the committee.

Mr. WHERRY. Mr. President, will the Senator yield for a further question?

Mr. O'MAHONEY. Certainly.

Mr. WHERRY. What is the total amount?

Mr. O'MAHONEY. The total is $12,685,000, of which $9,400,000 is for construction and equipping of the hospital, and $3,285,000 is for expenses incident to medical care.

Mr. WHERRY. Mr. President, I shall not resist in any way this suggestion by the chairman of the subcommittee, now that the new evidence is before the Senate. I remember distinctly that in the committee we did not vote for the appropriation which was requested by the agency and by the Bureau of the Budget.

I point out that although after 5 days we have been able to save approximately $20,000,000 by reducing the appropriations carried by this bill, yet, on the other hand, at this time in 5 minutes or so we are about to restore ot the bill appropriations in the amount of approximately $12,000,000, on the basis of evidence which was not before the committee when the committee voted to report the bill.

Mr. O'MAHONEY. The Senator from Nebraska is quite correct.

Mr. WHERRY. It seems that many of the efforts for economy will thus be defeated.

The VICE PRESIDENT. The question is on agreeing to the amendment submitted by the Senator from Wyoming [Mr. O'MAHONEY].

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, the last amendment which the chairman of the subcommittee will offer is one to correct a typographical error, by correcting the spelling of the word "classification", on page 75. I offer the amendment and ask that it be stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 75, in line 7, it is proposed to strike out the misspelled word "Classification" and insert in lieu thereof "Classification."

The VICE PRESIDENT. Without objection, the correction will be made.

Mr. KILGORE. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, before the period in line 5, it is proposed to insert a colon and the following: "*Provided further*, That no part of this appropriation shall be used for the acquisition of natural gas for use as fuel at the atomic energy installation at Oak Ridge, Tenn."

Mr. KILGORE. Mr. President, in support of the amendment, let me say the Oak Ridge plant is now equipped for coal. It will cost considerable money to change over to gas. Had the plant been constructed so as to use both gas and coal, or to use gas as an auxiliary fuel in the installations there, I would not seriously object. But it seems to me, in view of the existing coal-burning plant at Oak Ridge, it is a shame to bring gas there.

Moreover, in the closing paragraph of the report the committee sustains me in regard to this matter. It is the Commission's idea, not the Joint Committee's idea.

Mr. WHERRY. Mr. President——

Mr. O'MAHONEY. Mr. President, I ask the Senator to wait just a moment, if I may have the floor.

Let me say that I am reluctant to raise the point of order, but I am afraid this amendment is subject to the point of order that it is legislation on an appropriation bill. Therefore, I feel required to raise that point of order.

Mr. WHERRY. Mr. President, does the Senator from Wyoming say he is making a point of order against this amendment?

Mr. O'MAHONEY. Yes.

Mr. KILGORE. Mr. President, I think it is a limitation.

Mr. WHERRY. The point of order has been made, and of course it must be ruled upon.

The VICE PRESIDENT. The Chair is constrained to suggest that although the amendment may be in the nature of an amendment changing the effect of a present law, it is a prohibition against an expenditure for a certain purpose.

Mr. O'MAHONEY. Mr. President, it undertakes to control the exercise of discretion by the Commission.

The VICE PRESIDENT. That is true, but the Chair cannot pass on the wisdom of that.

The Chair must pass on the point of order. The Chair rules that the point of order seems not to be well taken.

The question is on agreeing to the amendment of the Senator from West Virginia.

Mr. WHERRY. Mr. President, I should like to ask about this matter. I am not sure whether the distinguished Senator from West Virginia has the information. But as I recall, in the Small Business Committee, at the time when the company was to supply the fuel, we made a great effort to get the steel for this pipe. Has any of the pipe been laid?

Mr. KILGORE. I do not know.

Mr. WHERRY. I am interested in ascertaining how much money, if any, has been spent by us for the pipe line. I should like to know how much steel went into it. Also I should like to know whether the amendment, if adopted, will cause us to abandon the pipe line, thus causing considerable loss.

Mr. KILGORE. We are not building a pipe line at all.

Mr. WHERRY. But the company is. Is the United States going to pay the company?

Mr. McMAHON and Mr. MAYBANK addressed the Chair.

The VICE PRESIDENT. Does the Senator yield; and if so, to whom?

Mr. WHERRY. I yield first to the Senator from Connecticut, and then I shall yield to the Senator from South Carolina.

Mr. McMAHON. Mr. President, the pipe line is under construction in accordance with the terms of a contract which has been entered into between the Tennessee Natural Gas Pipe Line Co. and the Atomic Energy Commission, under which the Commission agrees to take a certain amount of gas over a period of years. The corporation has been granted its certificate of convenience and necessity by the Federal Power Commission, and the pipe has been pretty well put into the ground.

I may say to the Senator, the Joint Committee on Atomic Energy was advised a year or more ago of the fact that this contract was anticipated and was proposed by the Commission; that is, they were going to enter into it. There was no manifestation of approval or disapproval by the joint committee in the Eightieth Congress, and the Commission went ahead and entered into the contract. After the contract got pretty well along and when protests were received, I, as chairman, appointed a subcommittee. The subcommittee went into the matter and came to the conclusion that reliance should be had on coal alone.

Since that time, speaking only for myself, there has been a great deal of testimony heard. I do not mean that I have heard it alone, but I have heard the testimony, and my individual judgment at this time is, first, that we have gone far along the road in setting up contractual rights, and second, the case made by the Commission in its presentation was such as to persuade me that I should not inject my judgment in place of their judgment that a supplementary and auxiliary fuel was desperately necessary, in view of the vital character of this installation.

I can sympathize with the Senator from West Virginia in his desire to see that coal produced in that region should be used in the plant; but it is my understanding there is no intention of cutting off the use of coal entirely, but it will be more or less a 50–50 proposition. However, I do believe the situation is such now as to make very unwise the adoption of this amendment.

Mr. KILGORE. Mr. President, will the Senator from Nebraska yield for a question to the Senator from Connecticut?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from West Virginia?

Mr. WHERRY. I will yield in a moment, but first I want to yield to the Senator from South Carolina, because he rose once before.

Mr. MAYBANK. I merely wanted to answer the Senator's question about the allocation of steel. The Senator brought that out. The steel was allocated by the Department of Commerce, and it is still under allocation by that Department.

Mr. WHERRY. I am now glad to yield to the Senator from West Virginia.

Mr. KILGORE. I ask the Senator from Connecticut: What authority has he for the statement that both fuels will be used? The Senator knows that the two types of fuels are not interchangeable in boilers or in heaters. It is impossible to burn coal today and gas tomorrow. Entirely different facilities must be provided, otherwise a tremendous amount of gas could be wasted.

Mr. McMAHON. That is true. Of course we have more than one boiler plant in that area, as the Senator knows.

Mr. KILGORE. Yes.

Mr. McMAHON. I will be frank and say that probably more gas will be used than coal.

Mr. KILGORE. Is it not correct to say it will be nearly all gas? In fact, is not the contract of such an enormous size that there is a guaranty to pay back within 5 years in profits to the company $6,000,000, and that it will necessitate the exclusive use of gas?

Mr. McMAHON and Mr. KEFAUVER addressed the Chair.

The VICE PRESIDENT. Does the Senator from Nebraska yield; if so, to whom?

Mr. WHERRY. Mr. President, I do not want to indulge the Senate in colloquy. I will ask a question, or answer one, after which any Senator may have the floor in his own right. I want to get back to this contract. I should like to know whether, in the event of our voiding the contract or violating its provisions through refusing to take gas, the United States becomes liable for the payment of reparations as a result of cutting off the gas?

Mr. McMAHON. Mr. President, is the Senator asking me?

Mr. WHERRY. I am asking the Senator from Connecticut.

Mr. McMAHON. In my opinion there is a valid contractual right on behalf of the gas company, and I think the United States would definitely be liable in damages upon the cancellation of the contract at this time.

Mr. WHERRY. Would that be because, in order to comply with the contract, the company has gone ahead and installed gas pipe?

Mr. McMAHON. That is correct.

Mr. WHERRY. Does the Senator have any idea as to how many miles of gas pipe have been installed? Can the distinguished Senator from Tennessee tell me that?

Mr. KEFAUVER. I may say to the Senator that about 4 or 5 days or a week ago my information was they had about 50 miles of pipe actually laid. They have purchased the right-of-way, and they have dug their ditch for probably 50 or

60 miles or more. The total distance I believe is about 115 or 120 miles. It is at least half laid.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. WHERRY. I am glad to yield.

Mr. CONNALLY. Mr. President, I happen to be a member of the Joint Committee on Atomic Energy, and I sat in the hearings on this subject when the matter was before the committee. I want to say a very splendid case was made with respect to anticipated savings. The witnesses also pointed out the progress which had been made in connection with adopting this plan. I think it would be most unwise to adopt this amendment and to wreck what has been done, in order to undertake to use some other fuel. I think it would be most unwise.

Mr. FERGUSON. Mr. President, will the Senator from Nebraska yield to me, in order that I may ask the Senator from Texas a question?

Mr. WHERRY. I am glad to yield. I intended to yield the floor in a minute, but I am glad to yield to the Senator to enable him to ask a question of the Senator from Texas.

Mr. FERGUSON. Did not the subcommittee find that the pipe-line and gas installation should not be proceeded with?

Mr. CONNALLY. I cannot advise the Senator as to that. I do not know.

Mr. FERGUSON. Mr. President, would the Senator from Connecticut care to answer that question?

Mr. McMAHON. I was not a member of the subcommittee myself, but the subcommittee found, in its judgment, that it was unwise to do so. I must say to the Senator, the subcommittee did not have as much evidence as later came before the full committee in the course of the investigation that we have been conducting. I am delighted that the Senator from Texas reminded the Senate, and incidentally myself, of the amount of money which is going to be saved by the use of gas. I think it will run about $750,000 a year, if I am not mistaken.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WHERRY. Just a moment. I yielded to the Senator from Texas.

The VICE PRESIDENT. The Senator will suspend until the Senate is in order. Senators will resume their seats. The Senator from Nebraska has the floor. To whom does the Senator yield?

Mr. WHERRY. I yield to the Senator from Texas.

Mr. CONNALLY. I believe the question propounded by the Senator from Nebraska a litle while ago was whether, in the event the program undertaken by the Commission is abandoned, there will be financial recourse against the Government of the United States. Was that the Senator's question?

Mr. WHERRY. That is correct.

Mr. CONNALLY. There will be, of course, if the United States Government has any integrity and any moral conviction. It will of course cost money.

Mr. WHERRY. If I may, I ask the Senator, in the event this is done, what will it cost the Government? Can the Senator tell me?

Mr. CONNALLY. I cannot answer that question.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. KEFAUVER. The testimony given in the hearings shows that if this is done, the Government will save $1,200,000 a year by reason of the difference in the price of the fuel it will use.

Mr. WHERRY. The Senator means, if gas is used, does he not?

Mr. KEFAUVER. If gas is used to the extent planned, the Government will save $1,200,000 a year.

Mr. WHERRY. Does the Senator mean as compared to the use of coal?

Mr. KEFAUVER. That is correct.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. McKELLAR. Mr. President, I desire to say that it is unquestionably true that at least $1,000,000 a year will be saved by the use of gas. Besides, it can be more economically administered than can coal. It is absolutely necessary for this great undertaking to have connection with a gas line. In addition to that, if the contract be broken, the United State Government will have to pay damages. For those reasons, I hope the Senate will not adopt this amendment.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. HICKENLOOPER. Mr. President, being a member of the Joint Committee on Atomic Energy, I should like to state my recollection of the situation for the record.

A year or so ago the Commission reported to the joint committee that the installation of this pipe line, which will cost approximately $10,000,000, was absolutely essential in the interests of national defense. The Commission made a strong representation to that effect. The joint committee took the word of the Atomic Energy Commission that that statement was correct. Later, near the end of last year, complaints began to come in that misrepresentations had been made on that score. After the Senator from Connecticut [Mr. McMAHON] became chairman of the joint committee, he appointed a subcommittee to look into the question. The subcommittee found, and reported unanimously, that the installation of the gas line was not necessary in the interests of national defense, that it was only a matter of convenience, and the subcommittee unanimously opposed the construction of the pipe line.

That subcommittee report, which is on file, was submitted to the entire Atomic Energy Committee which, in turn, formally, without a dissenting vote, voted approval of the report. The subcommittee was appointed prior to the beginning of the building of the pipe line, and prior to the issuance of the certificate of convenience and necessity. That certificate was issued after the subcommittee had been appointed and while it was still holding its hearing.

The agency which passes on the issuance of certificates of convenience and necessity said it granted a certificate to the Tennessee Gas Co. solely on its representation that it was vital in the interest of national defense. Our subsequent investigation and the report of the subcommittee found that was not true, that there is ample storage for coal, that there is ample conveyance to get the coal in, and that the gas line is not at all essential in the interest of national defense. The record so shows.

However, immediately upon the issuance of the certificate of convenience and necessity the contract between the Atomic Energy Commission and the Tennessee Gas Co. went into effect, and construction of the pipeline was started, even while the subcommittee was investigating the complaints which had been received. It is my information that approximately half of the pipeline has been constructed by this time and the right of way for the rest of it has been acquired.

I think the gas line is not essential. I do not agree that it will effect a substantial saving to the Government. I do agree that, based upon present gas rates, but not upon assured gas rates in the future, there is an indicated saving of a substantial amount of money each year for the Government.

I do not know whether the Senator from Tennessee [Mr. KEFAUVER] has the record of the hearings, but in the hearings of the joint committee it appears that a slight increase in the price of gas, considering the volume used, will put the price of gas above the price of coal. We do not know that the price is going to be increased, but a certain small increase per cubic foot will increase the cost of the gas over the cost of coal, so that the question of whether it is a long-range saving to use gas is a speculative question at this time. It is not an assured fact.

But we come to the dilemma to which the Senator from Nebraska has referred. I do not have the figures, and I do not know where they can be found, but it is my judgment that since we have been proceeding so far with the construction of the gas line—and I agree with the Senator from Texas that if it is stopped at this time the Government will be liable for a whale of an amount of money in damages, and I assume that the Sentor from Tennessee [Mr. KEFAUVER] has the correct figures when he states that approximately 50 miles of the line has been built of a 117-mile pipe line, a $10,000,000 proposition—based on that figure we probably will stand a three to four million dollar damage loss if we cancel the contract. I do not know that to be a fact, but I assume the probability of it. It may have gone so far that it would be unwise economy for us to cancel the contract. It is a dilemma in which I hate to see the Government placed, but it is a situation which we have to face. I feel that the pipe line should never have been built. But that is what has been done, and that is the condition at the moment.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. FERGUSON. I should like to ask whether or not this contract has a firm

price for gas for any period of time, or can the price be raised?

Mr. HICKENLOOPER. I cannot recall the exact terms of the contract. I believe they can be very easily obtained. I think it is one of the sliding-scale contracts based upon general prices of gas delivered at the valvehead at various places and dependent somewhat upon the price in the gas fields, the source, regulatory acts that may enter in, unforeseen taxes, and matters of that kind. I think it is a perfectly standard contract form. I do not think there is anything wrong with the terminology of it. I think the so-called savings are purely speculative.

Mr. FERGUSON and Mr. LONG addressed the Chair.

The VICE PRESIDENT. Does the Senator from Nebraska yield; and, if so, to whom?

Mr. WHERRY. I shall be glad to yield for a question.

The VICE PRESIDENT. The Senator from Nebraska has the floor.

Mr. FERGUSON. Mr. President, will the Senator yield for another question?

Mr. WHERRY. I yield for that purpose.

Mr. FERGUSON. Is it true that the Atomic Energy Commission contracted in such manner that by putting the price of the pipe line into the price of the gas it would not be necessary to come to Congress for an authorization to do this particular work?

Mr. HICKENLOOPER. My understanding is that the cost of the pipe line is to be paid out of the price of gas over the next 3 or 4 years. It is not a direct appropriation, but there would be a damage penalty if the contract were canceled.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, I have before me the contract which was entered into between the East Tennessee Natural Gas Co. and the Atomic Energy Commission. There is no right to change the rate which the gas company will charge for gas until the expiration of 3 years from the date of the first delivery. Then there is the usual clause concerning renegotiation and what not.

Mr. HICKENLOOPER. Sometimes it is the "what not" that causes the trouble.

Mr. KEFAUVER. There is a clause concerning renegotiation. There is also a provision that the amount paid depends upon the amount of gas used.

I may say in this connection, Mr. President, that the East Tennessee Natural Gas Co. is not a company that was formed for the particular purpose of entering into this contract. This is not a large, Nation-wide company. It is a small corporation, owned by people living in Tennessee. They have a contract for the furnishing of gas to the city of Nashville. About a year ago they received a tentative certificate of convenience and necessity for building a gas line from near the Kentucky and Tennessee line down to Oak Ridge, Knoxville, and Alcoa, and then also the company received a certificate to build a line from near the Mississippi line, where the Tennessee gas and transmission line comes from Texas on up to the Appalachian region, to furnish gas to Chattanooga and the adjacent region of southeastern Tennessee.

The East Tennessee Natural Gas Co. entered into this contract with the Atomic Energy Commission in June 1948. The transaction was reported to Congress and it has been fully publicized in the newspapers for more than a year. They made an application a long time ago for a certificate of convenience and necessity and they received a tentative or conditional certificate. The matter was brought up about the certificate being issued only recently. That refers to the final certificate.

The company has gone to a great deal of trouble and expense in securing an allotment of steel pipe in order to have the pipe available. It has arranged all its financing, and I might say this runs into the millions of dollars. It finally started this project.

Regardless of the original merits or demerits of gas or coal—and I think the Atomic Energy Commission intends to use both at Oak Ridge, to save money if it can—it wants to have both sources of power available. It is certainly not in keeping with the dignity of the Federal Government to authorize one of its departments or corporations to enter into a valid contract, as it did more than a year ago, no complaint being made about it until after they arranged their financing, secured their certificate of convenience and necessity, and laid and built more than half the pipe, and secured the right-of-way for the other part, and then have the contract abrogated.

In my opinion, in good conscience the Government should go through with this contract. As matters now stand, the Government will save $1,200,000 a year. It will still use much coal. If the rates for gas go up after a period of 3 years, the Commission will use more coal or it may use coal almost exclusively. As I see it, the Government has everything to gain and nothing to lose by carrying out this contract, into which it entered in good faith, and which this company entered into in good faith, relying on the ability of the Government to carry out its agreement. Perhaps if this issue had been raised earlier a different decision should have been reached, but both parties have proceeded too far to terminate it now.

Mr. WHERRY. Mr. President, I could not understand why an amendment was offered to change over to coal, in view of the fact that so much work had been done on a pipe line to supply this activity in the interest of national defense. Now we find that after the work has been done, there is a proposition here to change over to coal.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. WHERRY. Not for a moment; then I shall yield.

I have much sympathy for the Senator from West Virginia. This is the first time I have known the conditions. We have not gone into this matter. I have worked diligently to get all the facts since the amendment was offered, but it is a fact that in the report the joint committee said on May 23, 1949, that the Commission's action had been taken without consultation with the National Security Resources Board. That was before the contract was entered into between the Atomic Energy Commission and the contracting company. So I suppose the Senator from West Virginia has a point there. But that still does not solve the dilemma we are in, because 50 or 60 miles of the pipe line has been built, and another 50 or 60 miles of pipe line is to be built, according to the contract, and when it is all over, several million dollars will have been spent.

Whether or not we can get a cheaper gas rate, or coal will be down in price, I do not know. I was mayor of a town once which had that problem before it. One year gas would be cheaper, another year higher. Usually the price of coal went up and down with the price of gas. Perhaps that will happen in this case; I do not know.

Certainly if we violate this contract, the Government will have to spend some money to make good the loss sustained. That is a certainty. Whether or not we could save enough over 20 years by using coal instead of gas to meet that expenditure I do not know.

Personally I am strong for carrying out my contracts. I think when one enters into a contract he should perform all its conditions, if possible. It seems to me we will have to go ahead and complete the contract. We will violate our contract if we turn to coal. Perhaps we will turn back to coal some time.

It seems to me that on the evidence submitted there is confusion. I do not see how one can intelligently vote on the amendment offered by the Senator from West Virginia at this time, although he might have a good case.

Now I am glad to yield to the Senator from West Virginia.

Mr. KILGORE. Mr. President, I merely wish to correct the able minority leader in one respect. The Oak Ridge plant has been in operation for a great number of years, and has been using coal. The proposal is not to change over to coal, and I want the RECORD to so show. The distinguished minority leader has been constantly saying I was asking for a change over to coal.

The Senator from Nebraska does not need to sympathize with me, because my State does not sell any coal to this plant, it comes from Tennessee, and it is the workers in Tennessee who will be thrown out of their jobs. I am sympathizing with them.

I am not asking that a contract be abrogated, but I did want to bring up the point that the effort to get by the report of a congressional committee, to beat the gun by getting the chips on the table in a hurry, is something which should not be passed by without a little admonishment.

Mr. WHERRY. I agree with the Senator in that conclusion. It seems to me that the evidence which has just been submitted shows that the Commission entered into the contract after the re-

port was made, and they did not consult the National Security Resources Board.

If I said they had to change over from gas to coal, or coal to gas, I will correct the RECORD to fit the conditions which have been submitted by the distinguished Senator from West Virginia. But a contract has been made to use gas, and whether there is a change from coal to gas or gas to coal, I have no idea what it will cost. We are in an understandable state of confusion as to what the cost will be. My opinion is that the Commission will not save as much money over 20 years as is represented, whether coal is used or gas is used.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from West Virginia [Mr. KILGORE].

The amendment was rejected.

Mr. McGRATH. Mr. President, I send to the desk an amendment, and ask that it be stated.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 70, line 23, after the first comma it is proposed to insert the following:

Expenses (including personal services) in connection with the termination or liquidation of accounts carried on the books of the corporation.

Mr. McGRATH. Mr. President, this amendment is probably unique among those which have been offered to the pending bill. It is an amendment which seeks to get back into the Treasury of the United States several hundred million dollars as quickly as it can be gotten back, and probably that could be accomplished within the next fiscal year.

The amendment applies to the appropriation for the Home Owners Loan Corporation, which is a Government agency seeking to get out of business; and that in itself is unique.

The Home Owners Loan Corporation is trying desperately to liquidate. It is trying to liquidate its holdings in its field while the real-estate market is as good as it is at this time for the type of property which is represented in its mortgages. It has sold a considerable number of its mortgages. It has remaining on the books some 200,000 loans which will cost it approximately $5 apiece, or something less than $5 apiece, for the additional clerical work necessary to get the titles to these properties in proper order so that they may be transferred to other banking institutions or other institutions that may wish to bid on them either singly or en bloc.

Under the bill as reported by the committee the agency does not have the funds and is not permitted the funds with which to do this necessary clerical work which some day must be done. Without this amendment it would seem to me the Corporation is stopped here and now from continuing its efforts to liquidate. If it does liquidate, the value of its loans is something in excess of, I believe, $200,000,000. When these mortgages are sold the Corporation's debt to the Treasury will be paid. I think, Mr. President, that here is a chance to do a really good financial job for the Treasury.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. McGRATH. I yield.

Mr. MAYBANK. I should like to say that the subcommittee of the Apropriations Committee handling this item voted to appropriate the money, but the full committee struck it out. I am in thorough sympathy and accord with the Senator from Rhode Island when he says that the funds provided for by the amendment could be used to liquidate the Home Owners' Loan Corporation. Not only would it result in paying back to the Treasury what it owes, but many private banks would also participate to the extent in which they are interested in the loans.

Mr. McGRATH. Mr. President, the Senate should not intentionally want to put itself on record as preventing, by the failure to authorize an expenditure of something less than one million dollars, an agency of this kind from going out of business. We hear much talk about bureaus and bureaucracy in government. Now we have here a good chance to get rid of one agency.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. McGRATH. I yield.

Mr. FERGUSON. The subcommittee has been endeavoring for years to try to get the Home Owners' Loan Corporation to dispose of its mortgages. Do I understand that the Senator's amendment would provide for an extra appropriation of one million dollars?

Mr. McGRATH. No; I may say to the distinguished Senator from Michigan that, as I understand the amendment, it is a sort of an authorization making it possible for the agency to spend whatever may be necessary in order to liquidate the mortgages which it is able to liquidate within the next fiscal year. The cost of liquidation is estimated at something less than $5 per mortgage. The Corporation has 200,000 mortgages. So if the Corporation were to liquidate all its mortgages within the next fiscal year—and there is a possibility that that could be done—the cost would be, as Senators can readily see, about $1,000,000.

Mr. FERGUSON. Mr. President, I understand we have given the Corporation about $10 to service each one of the mortgages. So if the Corporation is able to dispose of the mortgages at $5 or less apiece it would appear that the Corporation would not need any further appropriation.

Mr. McGRATH. Whether the Corporation can do that under the servicing appropriation I am not able to say.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. McGRATH. I am glad to yield. I am sure the distinguished chairman of the subcommittee knows much more about the subject than I do.

Mr. O'MAHONEY. May I have the attention of the Senator from Michigan? The amendment which the Senator from Rhode Island has offered does not carry any money at all. It simply authorizes the Home Owners' Loan Corporation, within the appropriation which has been allowed, to undertake the expense if the money is available, in order to proceed with liquidation.

Mr. FERGUSON. The Senator from Michigan is in sympathy with that and has advocated such procedure for 3 years, but we have never been able to get the Corporation to sell the mortgages. I call the attention of the Senate to the fact that if it costs $5 or less to sell one of the mortgages and close it out, and it costs $10 to service the mortgage for a year, the Corporation should be able to close out the mortgages during the year and not come back for any further money for servicing.

Mr. O'MAHONEY. That is our hope.

Mr. McGRATH. It is hoped the Corporation may be able to do so. The amendment does not ask for additional money.

Mr. IVES. Mr. President, will the Senator yield?

Mr. McGRATH. I yield.

Mr. IVES. I should like to raise a point with the able Senator from Rhode Island. In effect the cost would not be any more one way than it would the other, as I understand. The amendment of the Senator from Rhode Island would merely allow the Home Owners' Loan Corporation to expedite the liquidation of the Corporation.

Mr. McGRATH. Some day the Corporation will have to be liquidated. Some loss may be suffered if the liquidation is made in a declining market. Some of the properties under mortgage are not of the best, nor are the properties in the best of condition. New housing is being built throughout the United States, and as the Corporation sells its mortgages it may lose some money on the principal.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McGRATH. I yield.

Mr. WHERRY. The amendment provides for an authorization, however, which might entail appropriations later on?

Mr. McGRATH. It may be that a deficiency appropriation will be asked for, but at the present time the amendment merely provides for getting the titles to the properties in order.

Mr. O'MAHONEY. The Home Owners' Loan Corporation operates with its own funds, and we are authorizing them to use their receipts for the purpose of expediting the liquidation.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Rhode Island [Mr. McGRATH].

The amendment was agreed to.

Mr. LONG. Mr. President, on behalf of myself, the junior Senator from Alabama [Mr. SPARKMAN] and the the junior Senator from Mississippi [Mr. STENNIS], I offer an amendment on page 53, line 2, to strike out "September 30" and insert in lieu thereof "December 31".

Mr. O'MAHONEY. I understand the purpose of the amendment is to extend the period from September 30 to December 31 within which this contract authority may be exercised.

Mr. LONG. That is correct. The time provided is so brief that many of the shipyards cannot proceed with the construction of ships.

Mr. O'MAHONEY. Mr. President, I am willing to accept the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Louisiana on behalf of himself and other Senators.

The amendment was agreed to.

Mr. MORSE. Mr. President, I call up two amendments, lettered "F" and "G," and ask that they be stated.

The VICE PRESIDENT. Does the Senator from Oregon desire that the two amendments be considered en bloc?

Mr. MORSE. I do.

The VICE PRESIDENT. The amendments will be stated.

The LEGISLATIVE CLERK. On page 10, before the semicolon in line 12, it is proposed to insert a comma and the following: "which are not available in the Federal service."

On page 12, before the period in line 16, it is proposed to insert a comma and the following: "or for the compensation or expenses of any member of a board of examiners who has not filed an affidavit that he is not, and within the fiscal years 1948 or 1949, has not been, pecuniarily or otherwise interested in any proceeding before any agency (as defined in section 2 of the Administrative Procedure Act), or any other proceeding to which the United States is a party."

Mr. MORSE. Mr. President, I hope the Senator from Wyoming will agree to take these two amendments to conference. I have a brief explanation to make of them.

Although there may be serious question as to the legality of its action, the Civil Service Commission has publicly contended that under authority granted by the Administrative Procedure Act it delegated to a nongovernmental group the power to determine whether or not incumbent and applicant hearing examiners for governmental agencies possessed requisite qualifications. Mr. President, shortly thereafter a question was raised as to the legality of this action, and it was suggested that the Commission obtain an opinion from the Attorney General sustaining the legality of its action. Had it done so, I think a rather unfortunate incident, about which I shall comment very shortly, could have been avoided. But, so far as I know, the Commission never saw fit to ask the Attorney General to give it an opinion on its original action.

Serious allegations have been made by a number of responsible attorneys and organizations not only as to the questionable legality of the delegation of power by the Commission, but also as to the impartiality of the Board of Examiners to which this power was delegated.

Mr. President, I wish to make perfectly clear that I raise no question as to the impartiality of the board of examiners. For example, I know the distinguished justice of the California Supreme Court, Justice Edmonds, very well. I know of no judge of my acquaintance in the entire United States for whom I have a higher regard than Justice Edmonds of the California Supreme Court. In fact, I want to say that he is the type of judge who in my opinion would do great credit on the United States Supreme Court itself. So I am discussing this matter quite separate and distinct from the question of the individuals who were selected to form this board, individuals who were selected from outside the Government service.

Among other things, the attorneys who challenge the action of the Commission, allege that the Commission has, in effect, placed the power to control the entire administrative judiciary in the hands of a few non-Government officials.

I have made some investigation of this matter. I am persuaded that my amendments should be adopted.

The Commission's action also has formally been brought to the attention of the Senate in the form of a memorial, seeking full investigation of the Civil Service Commission's conduct, by more than 2,000 practitioners before the Interstate Commerce Commission. That memorial has been referred to the Senate Committee on Post Office and Civil Service.

Without passing upon the merit of the allegations, it is clear that a serious question has been raised which we cannot in wisdom ignore.

Even if the allegations should, after full investigation ,prove untrue, this body must protect the integrity of the administrative judiciary.

Furthermore, I desire to point out that the amendment I propose is merely in reaffirmation of a principle clearly enunciated in the body of the appropriation bill itself, on page 12, lines 4 to 10. There a specific exception is noted to sections 281 and 283 of title 18, United States Code. And my proposal is also in reaffirmation of Executive Order 9830, which became effective May 1, 1947, which authorized the Commission to establish committees of expert examiners already in Federal service, and permitted the use of outside groups only where qualified examiners were not available in Federal service.

Mr. President, I am delighted to submit my statement of explanation for the RECORD on the statement of the Senator from Wyoming [Mr. O'MAHONEY], who has just whispered in my ear, that he will be glad to take my amendments to conference. I always settle on such a basis.

The VICE PRESIDENT. The Chair is glad that the art of whispering has been revived in the Senate.

The question is on agreeing to the amendments offered by the Senator from Oregon [Mr. MORSE].

The amendments were agreed to.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article published in today's Washington News. The article is entitled "Entire Board Quits in Row With CSC."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ENTIRE BOARD QUITS IN ROW WITH CSC

(By John Cramer)

The so-called McFarland Board, which helped the Civil Service Commission conduct its recent exam for Government hearings examiners, has resigned en masse in an angry dispute with the Commission over the handling of the exam, the News learned exclusively today.

The board, composed of outstanding attorneys and judges, was set up 2 years ago as an unpaid group of consultants to pass on the qualifications of hearings examiners—the Government officials who sit as judges when the legality of Federal administrative regulations are challenged.

The board's letter of resignation was submitted last week by Chairman Carl McFarland, Washington attorney.

It follows a long undercover dispute between the board and the Commission over alleged bungling by the Commission—and alleged manipulation of exam grades by Civil Service officials.

Both Mr. McFarland and Civil Service officials confirmed the resignations last night, but neither would divulge details of the dispute.

BYPASSED BOARD, CHARGE

From other sources, however, it was learned that the McFarland Board had accused Commision underlings of ignoring the board's recommendations; of failing to consult it on matters on which it should have been consulted—and of adjusting examination grades without consulting the board.

In one case, it was alleged, subordinate Commission officials insisted on giving an ineligible rating to a hearings examiner who had been rated eligible by the McFarland Board.

In another, an examiner whom the board had declined to rate "eligible" was given this rating by Commission subordinates.

ADJUSTED BY UNDERLINGS

In still other cases, it was alleged, grades of individual examiners were adjusted upwards by subordinate Commission officials, thereby greatly increasing their chances for eventual promotion. (Under Civil Service rules for hearings examiners, all eventually will be paced on a promotion register on which their ranks will be determined by their exam ratings).

The McFarland Board claimed that these and other Civil Service Commission abuses had rendered its work virtually worthless and threatens to destroy the integrity of the entire hearings examiner system.

CSC OFFICIALS DENY IT

Civil Service officials emphatically denied the board's charges.

Along with Mr. McFarland, board members included D. L. Edmonds, associate justice of the California Supreme Court; Joseph W. Henderson, Philadelphia; Laurence M. Hyde, associate justice of the Missouri Supreme Court; Willis Smith, North Carolina, former president of the American Bar Association; Joseph W. Henderson, Philadelphia, also a former Bar Association president and now acting president of Bucknell University, and Wilson M. Mathews of Civil Service.

Mr. Mathews was not a party to the mass resignation.

Justice Reynolds was reported even more incensed than other board members by alleged Commission bungling and abuses.

CONTROVERSY WAS SECOND

The board's mass resignation followed on the heels of an earlier controversy in which it was bitterly attacked by the hearings examiners.

The examiners accused the board of political, racial, and economic bias in its rating of examiners.

These accusations were not made when the board originally was appointed—but were first heard after the board gave ineligible ratings to almost one-third of the 250 incumbent hearings examiners.

RERATED ALL EXAMS

When the examiners launched their widely publicized campaign of protest, the Commission rerated all exams—and gave eligible rat-

ings to a majority of those previously rated ineligible.

Result is that only about 10 percent of the 250 incumbent examiners now are in the ineligible group—and most of them still have appeals pending before the Commission's Board of Appeals and Review.

The Commission's unofficial explanation at the time was that there had been a misunderstanding about the standards to be applied in the exam.

The McFarland board, CSC explained, had taken its instructions from ex-Civil Service Commissioner Arthur S. Fleming, who had specified that candidates must be eminently well qualified in order to pass the exam.

By contrast, CSC pointed out, the actual published standards for the exam were somewhat lower—specifying only that successful candidates must possess adequate experience and demontrate ability to conduct hearings.

OBJECTED TO OVERRULING

The McFarland board did not object to the new and lower standards.

What the board did object to was the alleged constant overruling of its recommendations by CSC underlings.

That and the alleged manipulation of exam grades.

Mr. PEPPER. Mr. President, I wish to invite the attention of the Senator from Wyoming to line 2 on page 58——

Mr. WHERRY. Mr. President, may I inquire, if the Senator will yield, whether it is the intention of the majority leader to continue in session this evening until the bill is finished?

Mr. O'MAHONEY. Mr. President, the bill is about to be finished.

Mr. WHERRY. Is there to be a record vote?

Mr. O'MAHONEY. I have no desire to call for another record vote. I have called for very few of them. There have been 16. I think that is enough for a good bill such as this.

Mr. PEPPER. Mr. President, I am not going to ask for a record vote.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. FERGUSON. Whether or not there will be a record vote depends upon what the Senator from Florida asks us to add to the bill.

Mr. PEPPER. As I say, I am not going to ask for a record vote. I do not know what other Senators intend to do.

The VICE PRESIDENT. The Senator from Florida may proceed.

Mr. PEPPER. Mr. President, I ask the attention of Senators to line 2 on page 58. That is the figure in which the appropriation is made for administration, medical, hospital, and domiciliary services for the veterans' hospital system.

The VICE PRESIDENT. That is a committee amendment which was agreed to earlier in the day.

Mr. PEPPER. Yes. I am going to ask that the vote by which it was agreed to be reconsidered.

Mr. O'MAHONEY. Mr. President, it is my understanding that what the Senator wants to do is to add some $8,406,060 to the item which has been approved by the Senate.

Mr. PEPPER. No. The amount I wish to add is the amount recommended by the Director of the Veterans' Administration. I have it evidenced by two letters.

Mr. O'MAHONEY. That is the same thing.

Mr. PEPPER. That would be a total of $48,000,000 over what the Senate committee recommended. I believe the Senator from Wyoming recommended an addition of only $16,000,000, so it would be the difference between $16,000,000——

Mr. O'MAHONEY. This afternoon the Senate, on the recommendation of the committee, and acting at the suggestion of the Director of the Budget, restored $16,000,000 of the budget estimate, but that is $8,406,060 less than the amount which the Senator from Florida is now urging.

Mr. PEPPER. Mr. President, if the Senator will allow me, my amendment was to add $48,000,000.

Mr. O'MAHONEY. Then the Senator is going above the budget estimate.

Mr. PEPPER. Oh, yes; of course.

Mr. WHERRY. Mr. President——

The VICE PRESIDENT. The amendment cannot be offered unless the Senate reconsiders the vote by which the committee amendment was agreed to.

Mr. PEPPER. Mr. President, I move that the vote by which the committee amendment on page 58, line 2, was agreed to, be reconsidered, and I wish to be recognized to address myself to the motion.

Mr. WHERRY. Mr. President, does not that require unanimous consent?

The VICE PRESIDENT. No. The Senator from Florida is moving to reconsider the vote by which the committee amendment on page 58, line 2, was agreed to.

Mr. WHERRY. Mr. President, I suggest to the distinguished Senator in charge of the bill that it is now 6:20. I submit that this is not the proper time, after Senators have left, to make a motion to reconsider the vote. I am not saying that the distinguished Senator from Florida is not perfectly within his rights in doing so, but I think he will agree with me that at this late hour Senators who might have made up their minds on this particular issue should be here to vote on it.

Mr. O'MAHONEY. Mr. President, the reason I address myself to the Senator from Florida is that I recognize exactly the condition which has just been described by the Senator from Nebraska. It would be utterly impossible to bring to the floor at this time Senators who are concerned about this item. I point out to the Senator that the committee has gone a long way toward meeting the need for funds for this purpose. The Bureau of the Budget has been trying to keep expenditures down. We are all interested in providing hospital care for veterans. The Senator's suggestion would not only restore $8,000,000 plus which the Bureau of the Budget recommended to us be not allowed, but would go above the budget estimate. The truth of the matter is that a point of order would lie against an amendment which is not supported by a budget estimate, when the standing committee has not recommended it.

Let me say to the Senator that the objective which he seeks to serve can much better be handled before a committee in connection with one of the deficiency bills than it can be handled here at this time. We can finish consideration of this bill tonight. We have been on it for 5 days. We have had 16 yea-and-nay votes. The chairman of the subcommittee has been in attendance throughout. Several other members of the committee, including minority members, have been faithful in their attendance. We have undertaken a tremendous task. I hope the Senator from Florida will not, by pursuing this motion to reconsider, compel us to go over another day, and thereby block again consideration of the ECA appropriation bill.

Mr. McKELLAR. Mr. President, may I express the hope that the Senator will not offer his amendment tonight?

Mr. PEPPER. Mr. President, if the Senator will allow me, I had no other way to gain the floor, I felt, except to make the motion, or give notice of making the motion.

Mr. President, I will accede to the request of Senators, but I wish to add just one word. I am a little reluctant, even when it is a question of propriety, at the end of a long day, to commit myself to something which will mean that the veterans of this Nation's wars will not have enough doctors, nurses, and technicians, and enough other personnel to give them the care they require. I say that that is a matter which should have some weight upon the conscience of this Congress.

The Senator from Wyoming is correct. The Budget Bureau did not allow this $48,000,000, but the reason I bring this question up is that I am chairman of the Veterans' Subcommittee of the Senate Committee on Labor and Public Welfare. We have jurisdiction directly over the hospital program of the veterans. We have conducted hearings in this general field, and I feel some sense of duty and obligation in that position to do what I can to see that the veterans get the necessary medical, hospital, and other care which they require.

Let me read what the Veterans' Administrator says about this question:

Under the funds now appropriated in the bill for this program—

All that has been added is $16,000,000, and not $48,000,000, as requested by the Veterans' Administrator—

Under the funds now provided in the bill for this program, there are anticipated delays in opening additional beds for use as they become available, and either a lessening of the quality of medical care now being furnished—

An alternative which the Administrator has stated he will not follow—

or the closing of beds now in use, in order to maintain present standards of care. The budget estimate for the medical, hospital, and domiciliary-care program as submitted to the Congress provides 8,331 less personnel than was actually authorized in this program on April 25 of this year.

* * * * *

Present construction schedules call for the completion and opening of 10,306 additional standard hospital beds between the dates of May 1, 1949, and June 30, 1950. This total number of new beds will provide an increase in average capacity of 4,891 beds during that period and will require $15,871,573 to staff and operate these beds at the average costs contained in our budget estimates.

The amount of $48,000,000 in addition to providing staff for new hospital beds as they

become available will permit maintenance of a personnel-to-patient ratio for hospitals of approximately one employee to one patient for all hospitals combined.

Then he goes on to say that the effect of this appropriation is going to require one of two things. This is what he says:

It will be noted from the preceding table that the budget estimate as submitted and as passed by the House would provide a ratio of 0.895 employees per patient for all hospitals and a ratio of 0.795 employees per patient if domiciliary care is included. Addition of the requested $48,000,000 will permit continued operations at the present level and permit a ratio of 1.034 employees per patient at hospitals thus avoiding a reduction of staff at existing hospitals or closing of beds in order to retain operating ratios at approximately the present level.

Listen to this sentence from the Director of the Veterans' Administration:

I am firmly convinced that the only alternative I will have, in the event sufficient funds are not made available, is to close certain existing beds and to defer the opening of new beds rather than reduce the standards of medical care. I believe neither the Congress nor the veterans desire any reduction in the quality of care available to the sick or disabled veterans.

The addition of $48,000,000 to the Budget estimate covers only personal service requirements in order to keep staffing standards for doctors, dentists, nurses, and attendants at the level we believe to be necessary. The hearings on the independent offices appropriation bill before the Senate committee presented a table which showed a comparison of funds for 1950 fiscal year with the amount available during the current year for medical, hospital, and domiciliary care. It will be noted that the bill as passed by the House provided, for 1950, 96.8 percent of the amount available for 1949, although the estimated bed capacity and patient load for 1950 will be 106.5 percent and 108.7 percent, respectively, of the 1949 fiscal year figures. With the additional $48,000,000—

And they put in $16,000,000—

the funds available for the 1950 fiscal year will be 105 percent of the 1949 funds or an increase of 5 percent in money to operate an increase of 6.5 percent in the average number of beds and an 8.7 percent increase in the estimated average number of patients.

Mr. President, I know the hour is late, I know the able Senator from Wyoming has done a herculean job, for which I commend him, and I know the Senate is tired; but I doubt very seriously whether we should be so tired as to end our action on this bill with the result, as stated to us by the Director of Veterans' Affairs, that the lack of provision of adequate funds will mean either an impairment in the standards of medical care in the veterans' hospitals or a curtailment in the number of beds which will be available to the veterans of this country.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WHERRY. Has this evidence been submitted to the committee?

Mr. PEPPER. It was submitted to the committee by the Veterans' Administrator himself, and I have the page number of the record of the hearings where he testified.

But the committee has felt that it should follow the recommendations of the Bureau of the Budget; and the Bureau of the Budget cut down the appropriation to such an extent that the Veterans' Administration could not adequately staff the hospitals which have the new beds; I refer to the hospitals which are coming into construction this year.

So we have the spectacle of empty veterans' hospital beds, because after the beds are available, there are not enough doctors and technicians and nurses to provide the veterans with service according to the decent standards of medical care.

Mr. WHERRY. Mr. President, will the Senator further yield?

Mr. PEPPER. I yield.

Mr. WHERRY. I wish the distinguished Senator from Florida to know that I am not objecting to his motion to reconsider the amendment at this time. I merely say that if an argument is to be made, it will be perfectly agreeable to me to have this matter go over until tomorrow morning.

I wish the Senator to know that I, too, am in favor of giving proper treatment to the veterans, and I think we have done a good job with the Veterans' Administration.

But if there is any new evidence or anything else the Senator from Florida wishes to place before the Senate, I wish to have it submitted to the Senate. I desire to go on record in favor of having that done, because in this bill we are appropriating nearly $850,000,000 for the care and treatment of veterans; but if that is not enough, and if there is any new evidence which should be considered, I will take just as much time as any other Senator will take in order to make sure that proper consideration is given. If, however, there is a desire to have a long discussion of this item, I think we should go over until tomorrow, and then see whether there is evidence to warrant the proposed increase of the appropriation.

Mr. PEPPER. Mr. President, it seems to me that the Senator from Wyoming could take to conference this item which the Veterans' Administration has requested of his committee; and then, as between the failure of the House of Representatives to allow any of the requested $48,000,000 and an appropriation of $48,000,000 which would be voted by the Senate in this case, at least the conferees could reconcile the difference and could come to a fairer allowance than the allowance the House has made.

Of course if an item of $16,000,000 is taken to conference, half of that will have to be sacrificed in connection with the conference, whereas the Director of the Veterans' Administration says the full $48,000,000 is needed. I am not willing to have the Senate compromise in regard to the care of the veterans without at least letting the Senate know what it is doing.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HUMPHREY. Of course, the Senator from Florida recalls the extensive hearings which were held in regard to the construction of veterans' hospitals, and I am sure he recalls that the Bureau of the Budget, as a result of executive order, directed that a reduction of 16,000 beds be made in the number previously undertaken to be provided for veterans. That directive was given on the ground that those beds could not be properly staffed or serviced. Is not that correct?

Mr. PEPPER. That is correct.

Mr. HUMPHREY. Yet was it not the testimony before the committee, from every witness who testified there, that if no new hospital beds are to be provided, because of the elimination of the 16,000 beds, at least it is absolutely essential that every bed now available be adequately staffed, so as to provide adequate medical care? Is not that correct?

Mr. PEPPER. That is correct.

Mr. President, we have built the hospitals. Yet this very afternoon, when I I talked to Dr. Magnuson on the telephone and asked him whether the facts set forth in the letter from General Gray are correct, Dr. Magnuson told me that he could not adequately staff the beds.

Mr. President, is that economy? We have spent the money required for the building of the hospitals and to make the beds available. Yet the splendid doctor who is in charge of that branch of the Veterans' Administration tells us that we have not provided sufficient money to permit the staffing of the beds we have made available.

Mr. MAYBANK. Mr. President, I wish the RECORD to show that in South Carolina the situation is that there is only one bed for every 332 veterans, as compared to a national average, under the revised program, of one bed for every 129 veterans. I ask unanimous consent to have printed in the RECORD a statement regarding the situation in South Carolina. This statement was presented at the hearings, in connection with remarks of the Senator from Florida, the Senator from Minnesota, and other members of the committee.

I do not know what the answer is, but it appears to me that in some sections of the country too much hospitalization is provided, whereas in many other sections of the country insufficient hospitalization for veterans is provided, and that there has been discrimination against certain States and certain veterans.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

SOUTH CAROLINA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949 201,000
VA authorized standard beds 606

	State	National
Veterans per bed:		
Jan. 5, 1949	332	178
Original construction and expansion program	200	117
Revised construction and expansion program	332	129

Hospitals eliminated

Location	Type	Beds
Greenville	GM	200
Columbia	GM	[1] 200

[1] Columbia, addition.

Estimated obligation incurred by Government, hospitals eliminated

Location	Type	Amount
Greenville	200 GM	$303,000
Columbia (addition)	200 GM	19,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Columbia	GMS	700

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Navy	100
Civil and State	273
Combined total	373

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	9,129
Hospitalization in State	7,205
Hospitalized in other States	1,924
Veterans discharged outside State	1,925

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	1,278	971	711	652
Columbia, VA hospital	612	497	466	451
Fort Jackson, regional office	666	474	------	------
Non-VA hospitals	------	------	245	201

Awaiting admission, Feb. 28, 1949

Columbia	98
Fort Jackson, regional office	--

Veterans awaiting admission to hospitals, Feb. 28, 1949—area (Atlanta): South Carolina

Length of waiting period:	
1 to 60 days	714
61 to 120 days	168
121 to 180 days	61
Over 180 days	65
Total awaiting	1,008

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Columbia	GMS	40	13	121	0	4	0	700

Staff required for hospital eliminated

	Columbia	Greenville
Number of doctors	16	16
Number of nurses	48	48
Number of dentists	1	1
Number of technicians	18	18

Comments regarding staffing of hospitals—eliminated

Greenville, GM: Can be very readily staffed.
Columbia, GM: Can be very readily staffed.

Comments

South Carolina

The Veterans' Administration estimates South Carolina to have a veterans population of 201,000. With this large veterans population the State has only one hospital. A 700-bed general medical and surgical hospital at Columbia. As a result as of January 5, 1949, this State had only 1 bed for every 332 veterans as compared to a national average of 1 bed to every 178 veterans. The original construction and expansion program contemplated a 200-bed addition to the present hospital at Columbia and new construction of a 200-bed general medical and surgical hospital at Greenville. This would have raised the available bids for veterans in South Carolina of from 1 bed for every 200 veterans as compared to 1 bed to every 117 veterans as the national average on the original construction program and this would be a little over half of the national average. Under the revised construction program both the addition at Columbia and the new hospital at Greenville are scheduled for elimination. It again brings South Carolina back to 1 available bed for every 332 veterans as compared to a national average of 1 bed for every 129 veterans on the national revised construction program.

The 700-bed hospital at Columbia is required to take patients for a big area in both North and South Carolina as well as to provide hospital facilities for adjoining areas. It is estimated therefore that the total veteran population to be served by the proposed expanded hospital at Columbia and the new hospital at Greenville would be too heavy, roughly 375,000 veterans.

The hospital at Columbia has a standard bed capacity of 606 beds but is operating with an authorized capacity of 700. Because of this and its limited facilities in caring for this large number surgery is being done at practically all hours of the day. It has been reported that this hospital has been operating with a waiting list which officially ran from 100 to 150 per day. The Veterans' Administration reports that the Navy has available 100 beds for veterans in South Carolina. In addition, the Oliver General Hospital (Army) in Augusta, Ga., furnishes an additional amount. It was estimated that South Carolina was using an available 200 beds a day in these two service hospitals in South Carolina and Georgia that, "I can tell you as Governor of the State that we have more than 300, nearer 400 veterans in civilian hospitals occupying beds there who cannot get in a veterans' hospital." He reports that a great many veterans have not even applied and has personal knowledge of some who understood there was a long waiting list and were delaying their applications until there was an opportunity to be admitted. He also stressed that his State had less than one-half of the national average of beds available for its veterans as the Veterans' Administration had nationally.

The testimony clearly indicates that there is no problem in staffing these hospitals and this is borne out by official reports by the Veterans' Administration. As of December 31, 1948, the plans and specifications for the Greenville project were listed by the Veterans' Administration as being 100 percent complete.

Mr. MAYBANK. Mr. President, let me say that since 1944 we have been informed that a hospital for veterans would be built in South Carolina or that some other assistance would be given the veterans in South Carolina. However, nothing of the sort has been done. The money for that purpose was appropriated for the Veterans' Administration under General Hines, and of course later another general was in charge of the Veterans' Administration, and subsequently another general was in charge of it. However, nothing of that sort has been done.

Mr. PEPPER. Mr. President, I remember very well the statement which was made at the hearing, showing a very grave need for additional veterans' hospital facilities in South Carolina.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. O'MAHONEY. Mr. President, I rise merely to suggest to the Senator from Florida that immediate action upon this matter is not required, and the original suggestion which I made to him that it should be brought up under a deficiency bill is sound. I will show the Senator why I think so. I have in my hand a letter which I have already put in the RECORD earlier in the day, from the Administrator, General Gray, to the chairman of the full committee, the Senator from Tennessee [Mr. MCKELLAR]. I read these two paragraphs, in connection with the increase of $16,000,000 which we have already granted:

> The increase requested herein will permit the Veterans' Administration to retain employees now experienced and qualified for hospital and medical care and will permit the transfer of such experienced workers from existing hospitals to new hospitals as they are opened. Thus a reduction of staff in the medical-care program will be avoided and later recruitment and training of new employees to staff the additional new beds as they become available will be unnecessary.
>
> I am convinced that greater efficiency of operation can be secured by this method and certainly employee morale and maintenance of the standards of medical care can be retained at a high level.

It is my contention, I may say to the Senator, that if this is done in accordance with what the Senator has already approved, which I feel confident will be approved in the conference, there will then be ample opportunity on a deficiency bill, when the need arises, for the Senator to advance in his own inimitable and eloquent manner the considerations which he is laying before us now.

Mr. PEPPER. Mr. President, since about 10,000 new beds are to come into construction during this fiscal year, I am glad to have the friendly interest of the able Senator from Wyoming in the proposal to add personnel as the need becomes manifest. In view of the assurances I have had from the chairman of the subcommittee, that an effort to increase this appropriation will receive sympathetic consideration hereafter in a deficiency appropriation, I shall withdraw my motion to reconsider at the present time.

Mr. O'MAHONEY. I may say to the Senator I was personally very deeply interested in this matter, and I made arrangements for employees of veterans' facilities to come to Washington and testify at the Appropriation Committee hearings. I discussed this matter not only with the Veterans' Administration but also with the Bureau of the Budget,

and I think the additional $16,000,000 which the Budget Bureau has approved will be provided.

Mr. PEPPER. Very well. Mr. President, just one more word. The Senate continued the authorization of $237,000,000 for the construction of veterans' hospitals. I see Senators on the floor who testified before our commitee in aid of the construction of the new hospitals, which have been built, but which were curtailed by Executive order and by the Veterans' Administration to the extent of 16,000 veterans' hospital beds. The House of Representatives renewed the contract authorization of $237,000,000 net, which had previously been rescinded, which would authorize the restoration of the 16,000 beds which were estimated by Executive order and by the action of the Administrator of the Veterans' Administration.

The House committee, in its report, specified that it was left up to the President to build these facilities with 16,000 beds or such number of them as he felt were needed. Some of us felt that the Senate should have incorporated along with this appropriation a directive to the President to build the hospitals, because it was felt they were needed.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. PEPPER. I shall yield in a moment, if the Senator will allow me to complete this statement. The committee recognized it would be legislation on an appropriation bill and therefore subject to a point of order. We have therefore not offered the amendment, which we once contemplated offering. Since we are continuing the authorization to the executive department to build the hospitals, 24 in number, and to provide 16,000 beds altogether, I think it is well for the RECORD to show the sentiment of those Senators who feel that the Senate should go ahead with this construction program.

Mr. DONNELL. Mr. President, will the Senator yield for an inquiry?

Mr. PEPPER. I yield.

Mr. DONNELL. I inquire whether the plan now contemplates a reduction with reference to the St. Louis hospital from 1,000 beds to 500?

Mr. PEPPER. As I recall, it does.

Mr. DONNELL. I further inquire whether a reduction is contemplated in the original plan as to the number of general medical and surgical beds at Kansas City?

Mr. PEPPER. I understand that to be so.

Mr. DONNELL. I may say to the Senator, in connection with St. Louis, we have a rather interesting and peculiar situation there. As the Senator doubtless recalls, we have the Jefferson Barracks Hospital, which today, or at any rate at the time of the testimony, and according to the information I have now accommodated 676 persons; that is to say, it had 676 beds. It was proposed that the St. Louis Hospital, to be constructed in St. Louis, should have 1,000 beds. Under the plan by which the St. Louis hospital is reduced from 1,000 beds to 500, and by which the Jefferson Barracks Hospital is to be converted from a general medical and surgical hospital to a neuropsychiatric hospital, we will lose 676 beds on the one hand at Jefferson Barracks Hospital, and we will gain only 500 beds in the St. Louis Hospital. Therefore, under the plan which I understand is now contemplated, we will actually lose 176 beds for general medical and surgical purposes in St. Louis.

I am not certain as to whether the change-over at Kansas City means an alteration from 495 general medical and surgical beds and 250 tuberculosis beds, a total of 745. I am not certain, I say, whether the plan contemplates 500 tuberculosis beds, and a reduction to no general medical and surgical beds, but it is my impression that a cut is planned. I ask the Senator from Florida whether a reduction of some kind is planned at Kansas City?

Mr. PEPPER. It is. That is my recollection.

Mr. DONNELL. Mr. President, I am very glad indeed the Senator has called attention to these facts on the floor of the Senate, and while I should like, if the hour were not so late, to emphasize a little more fully the situation that exists both in St. Louis and in Kansas City, as a Senator from Missouri and knowing something, at any rate, particularly of the situation in my own home section immediately around St. Louis, and something, generally speaking, from the testimony with respect to Kansas City, I want to put myself on record very decidedly as being in hope that the St. Louis hospital may have the 1,000 beds instead of 500, and that there shall be no reduction from the original plan in Kansas City. I thank the Senator.

Mr. PEPPER. I thank the Senator for his statement.

The VICE PRESIDENT. Does the Chair correctly understand that the Senator from Florida withdraws his motion to reconsider?

Mr. PEPPER. In view of the assurances I have had from the chairman of the subcommittee, the Senator from Wyoming [Mr. O'MAHONEY], that an effort to increase this appropriation will receive sympathetic consideration hereafter in a deficiency bill, I withdraw my motion.

Mr. MYERS. Mr. President, I desire to associate myself with the views expressed by the Senator from Florida and other Senators, because I believe that, particularly in Pennsylvania, we have been discriminated against. With a veteran population, as shown by the committee report, greater than that of any other State except New York, we have lost a total of 1,400 beds in the curtailment program. In fact, while the national average is 178 veterans per bed, we have in Pennsylvania an average of 347. With the revised construction program, which would have helped us to some extent, we would still be far behind the national average. Because of the revised program, we have in Pennsylvania an average of 183, while the national average is 129.

I think the committee sets forth in its report the situation with regard to Pennsylvania as admirably and as well as could be expressed by anyone, and therefore I ask unanimous consent that there may be printed at this point in the RECORD the Pennsylvania summary together with the comments of the subcommittee of the Senate Committee on Labor and Public Welfare, appearing on pages 62 to 65 of the committee report.

The VICE PRESIDENT. Is there objection?

There being no objection, the summary and comments were ordered to be printed in the RECORD, as follows:

PENNSYLVANIA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949 .. 1,426,000
VA authorized standard beds 4,108

	State	National
Veterans per bed:		
Jan. 5, 1949	347	178
Original construction and expansion program	155	117
Revised construction and expansion program	183	129

Hospitals eliminated

Location ..... Harrisburg.
Type ..... GM.
Beds ..... 200.

Estimated obligation incurred by Government, hospital eliminated

Location ..... Harrisburg.
Type ..... 200 GM.
Amount ..... $347,000.

Projects altered in size from present plans

Location	Type	Beds	
		From—	To—
Philadelphia	GM	1,000	500
Pittsburgh	NP	1,200	750
Do	GM	1,250	1,000

Estimated obligation incurred by Government, hospital altered

Location	Type	Amount
Philadelphia	500 GM	$249,000
Pittsburgh	1,000 NP	106,000
Do	750 GM	186,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Coatesville	NP	2,119
Lebanon	NP	501
Aspinwall	GMS	943
Butler	GMS	984
Total		4,547

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Army	175
Navy	620
Marine	20
Total	815
Civil and State	355
Combined total	1,170

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	26,467
Hospitalization in State	22,838
Hospitalized in other States	3,629
Veterans discharged outside State	3,631

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	4,509	3,153	2,366	1,836
Coatesville, VA hospital	40	110	38	24
Lebanon, VA hospital	70	242	174	139
Aspinwall, VA hospital	575	743	708	584
Butler, VA hospital	133	299	309	227
Philadelphia, regional office	318	294	-------	-------
Pittsburgh, regional office	780	523	-------	-------
Wilkes-Barre, regional office	432	171	-------	-------
Philadelphia Naval Hospital	2,161	771	-------	-------
Non-VA hospitals	------	------	1,137	862

Awaiting admission, Feb. 28, 1949

Aspinwall	364
Butler	311
Coatesville	834
Lebanon	115
Philadelphia, regional office	-----
Pittsburgh, regional office	4
Wilkes-Barre, regional office	-----
Grand total	1,628

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Philadelphia): Pennsylvania

Length of waiting period:	
1 to 60 days	712
61 to 120 days	355
121 to 180 days	228
Over 180 days	855
Total awaiting	2,150

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Coatesville	NP	51	38	108	0	4	0	2,119
Lebanon	NP	21	0	64	0	2	0	444
Aspinwall	GMS	77	49	198	5	4	2	943
Butler	GMS	26	0	146	0	4	0	964
Total		175	87	516	5	14	2	4,470

Staff required for hospital eliminated

Harrisburg:	
Number of doctors	16
Number of nurses	48
Number of dentists	1
Number of technicians	18

Additional staff required for hospitals altered in size

	Philadelphia	Pittsburgh (GMS)	Pittsburgh (NP)
Number of doctors	27	24	8
Number of nurses	97	85	19
Number of dentists	3	3	1
Number of technicians	46	33	11

Comments regarding staffing of hospitals

Altered in size: Philadelphia (GM), Pittsburgh (GM), Pittsburgh (NP): These three hospitals which have been altered in size are located in communities where there are medical schools and no difficulty in staffing.

Eliminated: Harrisburg (GM): Moderately difficult to staff.

Comments

Pennsylvania

The Veterans' Administration estimated a veteran population for this State of 1,426,000. A number of witnesses testified to the fact that Pennsylvania, with a larger veteran population than any other State but New York, had been discriminated against over the years by having assigned to it less bed capacity than the States of New York, Illinois, California, Massachusetts, and Ohio. The new construction program was designed to some extent to correct this disparity. As of January 5, 1949, Pennsylvania had only 1 bed for each of the 347 veterans as compared to a national average of 178. The revised construction program would contemplate 1 bed for every 183 veterans as compared to a national average of 129. Witnesses further brought out that the cut in bed construction now recommended for the State of Pennsylvania is disastrously out of line with the national average and, worse still, when compared with other large cities. Out of the total original bed allocation for new construction of 4,450 beds allocated to Pennsylvania, 1,400 beds are scheduled to be eliminated, or more than one-third of the total originally scheduled for the State. Likewise, it was brought out that a careful perusal of the records will indicate that Pennsylvania is again being penalized 9 percent of the total number of beds curtailed nationally. Extensive waiting lists are reported in all types of cases, i. e., the general medical and surgical, the neuropsychiatric, and the tubercular groups in the proposed construction of the general medical and surgical beds as certain tubercular facilities are to be provided.

It was reported by contact with the Veterans' Administration officials, the Commonwealth department of health as well as the Pennsylvania League that from 3,000 to 5,000 cases of veterans suffering from active tuberculosis were remaining home with their families due to lack of Veterans' Administration or local beds. The number of veterans now confined in State, municipal, and county mental institutions showed a total of 1,190 with over 300 tubercular cases in these institutions. Approximately 400 veterans of the neuropsychiatric description are now being held by State, civil, and police authorities because of the nonavailability of beds in either of the Veterans' Administration or local neuropsychiatric institutions. Because of lack of proper facilities in Pennsylvania for the care of all types of cases of tuberculosis, neuropsychiatric, and general medical and surgical cases, it is necessary to hospitalize many of these cases in other States, thereby creating a longer distance of travel for the patient in addition to causing undue hardship and inconvenience to the families wanting to visit their loved ones.

The hospitals involved in the revised construction program consist of a reduction of the general medical hospital at Philadelphia from 1,000 to 500; a general medical and surgical hospital at Pittsburgh from 1,250 to 1,000, and a neuropsychiatric hospital at Pittsburgh from 1,200 to 750. In addition, a general medical and surgical hospital at Harrisburg of a 200-bed capacity is scheduled for elimination. It is noted therefore that the largest reduction of beds—1,200, is contemplated in Philadelphia and Pittsburgh, 500 and 700, respectively—the two largest cities in Pennsylvania. Testimony revealed that there are five medical centers, medical colleges in the city of Philadelphia alone, and in addition in Pittsburgh there are two of the greatest medical centers in the world. Also, there is now under construction in Pittsburgh as a result of a grant from the Mellon Estate, a graduate school of medicine, which is scheduled to be one of the few graduate schools of medicine in this country. In addition, it is brought out that as regards the hospital at Harrisburg scheduled for elimination that there are approximately 2,000 physicians in that neighborhood and that there would be no difficulty in staffing that hospital. There are two class A dental schools in Pennsylvania. Due to the great medical centers in Philadelphia and Pittsburgh there has been no difficulty in recruiting all types of medical and other types of personnel and the Veterans' Administration has stated that in regard to the staffing of the hospitals reduced in size, i. e., the general medical and surgical hospitals at Philadelphia and Pittsburgh and the neuropsychiatric hospital at Pittsburgh that "the above hospitals are located incommunities where there are medical schools and there would be no difficulty in staffing these beds." As regards staffing the hospital at Harrisburg it would be "moderately difficult" to staff. As of December 31, 1948, the plans for the Harrisburg hospital were stated by the Veterans' Administration to be 95 percent complete, the Pittsburgh general medical and surgical hospital 100 percent complete, the Pittsburgh neuropsychiatric hospital 78 percent complete, and the Philadelphia, Pa., general medical and surgical hospital 73 percent complete.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HUMPHREY. I should merely like to call to the attention of Senators, in connection with the State-by-State analysis of subcommittee hearings, to which the Senator from Florida has referred in his remarks, that this is an example of, and may serve to correct, what one may call the miscalculation of the Bureau of the Budget. The Bureau is not infallible, it is not sacrosanct, and the record of the subcommittee as shown in this general report of the subcommittee investigating the hospital construction program of the Veterans' Administration shows without the shadow of a doubt that from every single State where there was a curtailment of the program there was without exception a witness, and every witness testified as to the dire need of this program. South Carolina was mentioned a while ago. There are over 200,000 veterans in that State, with just one Veterans' Administration hospital; that is all—just one hospital. Every one of the States had a waiting list that went far beyond any of the estimates submitted by the Veterans' Administration or by the Bureau of the Budget.

I think, when doctors appeared before the committee from the Veterans' Administration and frankly admitted that there was need for these hospital units and they were worried about being able to staff them, I should reemphasize for the record, and I feel it is my responsibility as a member of the committee to do so, that the Veterans' Administration said that the one thing we must have is complete medical care for every available hospital which is constructed at this time. Since we are not going to build the 16,000 beds, we must be completely sure that there is to be no denial of the technicians, doctors, and nurses who are so desperately needed.

Mr. President, I commend the reading of this pamphlet to every Senator, because the problem will plague us next year. With 16 or 18 States cut out, we shall be faced with the problem for years to come. The veterans are getting older and will become more disabled, and there will be greater necessity for hospital beds than ever before.

Mr. PEPPER. Mr. President, I see among the distinguished Senators who appeared before the committee, the distinguished senior Senator from Tennes-

see, chairman of the Senate Appropriations Committee, the Senator from Ohio [Mr. TAFT], the Senator from Michigan [Mr. FERGUSON] and other Senators who made strong statements for the record as to the need for facilities. Since all Senators are not at this late hour present, let me say that our subcommittee prepared a short summary of testimony given before the subcommittee for each State.

Mr. DONNELL. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator can yield only for a question. The Chair must enforce the rule.

Mr. PEPPER. Mr. President, I ask unanimous consent to have placed in the body of the RECORD, following my remarks, the summary for the remainder of the States.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

[Excerpts from summary. and analysis by Subcommittee of Senate Committee on Labor and Public Welfare of hearings on proposed curtailment of veterans' hospital construction program, 81st Cong., 1st sess.]

II. STATE-BY-STATE ANALYSIS OF SUBCOMMITTEE HEARINGS

CALIFORNIA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	1,346,000
VA authorized standard beds	7,924

	State	National
Veterans per bed:		
Jan. 5, 1949	170	178
Original construction and expansion program	127	117
Revised construction and expansion program	129	129

Hospital eliminated

Location	San Diego.
Type	GM.
Beds	200.

Estimated obligation incurred by Government, hospital eliminated

Location	San Diego.
Type	200 GM.
Amount	$129,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Livermore	TB	458
San Fernando	TB	378
Palo Alto	NP	1,464
Los Angeles:		
GMS unit	GMS	1,440
NP unit	NP	2,149
Oakland	GMS	800
San Francisco	GMS	440
Van Nuys	GMS	1,509
Total		8,638

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—other Government

Army	175
Navy	1,375
Marine	50
Total	1,600
Civil and State	132
Combined total	1,732

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	48,181
Hospitalization in State	46,706
Hospitalized in other States	1,475
Veterans discharged outside State	1,506

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	9,572	5,811	5,400	4,720
Livermore, VA hospital	16	44	31	57
San Fernando, VA hospital	14	51	40	38
Palo Alto, VA hospital	61	104	60	70
Los Angeles, VA hospital	1,960	987	1,264	1,153
Oakland, VA hospital	1,066	561	633	568
San Francisco, VA hospital	442	338	382	333
Van Nuys, VA hospital	1,459	945	939	880
Los Angeles, regional office	2,498	1,639	------	------
San Diego, regional office	521	380	------	------
San Francisco, regional office	1,535	762	------	------
Non-VA hospitals	------	------	2,051	1,621

Awaiting admission, Feb. 28, 1949

Livermore	33
Los Angeles	357
Oakland	72
Palo Alto	313
San Fernando	76
San Francisco	----
Van Nuys	62
Los Angeles, regional office	42
San Diego, regional office	----
San Francisco, regional office	----
Grand total	955

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (San Francisco): California

Length of waiting period:	
1 to 60 days	442
61 to 120 days	229
121 to 180 days	115
Over 180 days	360
Total awaiting	1,146

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Livermore	TB	14	1	62	0	2	0	458
San Fernando	TB	19	5	69	0	2	0	365
Palo Alto	NP	29	46	76	0	4	0	1,464
Los Angeles	GMS	76	144	389	9	5	0	3,463
Oakland	GMS	47	8	139	0	3	0	712
San Francisco	GMS	10	84	95	0	3	0	374
Van Nuys	GMS	53	115	325	5	6	0	1,437
Total		248	403	1,155	14	25	0	8,273

Staff required for hospital eliminated

San Diego:	
Number of doctors	16
Number of nurses	48
Number of dentists	1
Number of technicians	18

Comments regarding staffing of hospital.

San Diego, GM: No difficulty in staffing.

Comments

San Diego

Statistics prepared by the University of California and the State Department of Veterans' Affairs showed 350,000 World War II veterans from out of State had taken residence in California since VJ-day. Conservative estimates show veteran population of California now to be 1,700,000.

Veteran population in this State shows higher percentage of disabled veterans than the national average; also the highest percentage of total and permanent disabled veterans, i. e., 12.63 percent of Nation's total.

In the need for general medical and surgical beds emphasis was placed on the fact that this State had one of the highest number of bed contracts authorized with other Government (military and Public Health) hospitals than any State in the Union (1,700 beds) or 33 percent of such bed utilization by the VA nationally. Testimony was also offered to the effect that some military hospitals in that State were now being closed, others were scheduled for closing with consolidation of military beds in the remaining hospital, thereby causing a present and eventual shortage of such available military beds for veterans' use.

The estimated veteran population of San Diego County was given as 160,000. The nearest VA hospital (Los Angeles) is 175 miles distant. The number of VA patients hospitalized in San Diego Naval Hospital on February 20, 1949, was 238, and exceeded the contract utilization for 200 beds in that hospital. The San Diego area contains a great number of retired military personnel, as well as many disabled veterans attracted there by reason of climatical and other considerations.

Site for this proposed hospital has been acquired; all the test borings had been made; the bids had been called for, and the lowest bidder had been announced a few days prior to the order canceling construction of the hospital.

DISTRICT OF COLUMBIA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	137,000
VA authorized standard beds	335

	State	National
Veterans per bed:		
Jan. 5, 1949	409	178
Original construction and expansion program	126	117
Revised construction and expansion program	164	129

Projects altered in size from present plans

Location	Washington, D. C.
Type	GM.
Beds	From 750 to 500.

Estimated obligation incurred by Government—Hospital altered

Location	Washington, D. C.
Type	500 GM.
Amount	$1,600,000.

Existing VA hospitals in State

Hospital	Mount Alto.
Type	GMS.
Authorized beds	335.

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Army	50
St. Elizabeths	150
Total	200

Veterans hospitalized in VA and non-VA Hospitals, fiscal year 1948

Total hospitalized	6,360
Hospitalization in State	1,972
Hospitalized in other States	4,388
Veterans discharged outside State	4,389

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	1,606	934	281	271
Washington, D. C., VA hospital	283	158	258	251
Washington, D. C., regional office	1,323	776	------	------
Non-VA hospitals	------	------	23	20

Awaiting admission, Feb. 28, 1949

Mount Alto	214

Veterans awaiting admission to hospitals, Feb. 28, 1949—area (Richmond): District of Columbia

Length of waiting period:	
1 to 60 days	592
61 to 120 days	243
121 to 180 days	188
Over 180 days	259
Total awaiting	1,282

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
District of Columbia	GMS	19	24	94	20	3	0	335

Staff required for hospital altered in size

Washington, D. C.:	
Number of doctors	15
Number of nurses	50
Number of dentists	1
Number of technicians	20

Comments regarding staffing of hospital, altered in size

Washington, D. C., GM. Located in community where there are medical schools; no difficulty in staffing.

Comments

District of Columbia

The District of Columbia, with an estimated veteran population of 137,000 as of January 5, 1949, had only 335 Veterans' Administration beds available, so that in the District of Columbia there was only 1 veteran bed available to every 409 veterans residing here, as compared to a national average as of that date, January 5, 1949, of 1 bed per 178 veterans. In the original construction and expansion program it was contemplated to erect a 750-bed general medical and surgical hospital in the Washington, D. C., area. This would have brought the ratio of veterans per bed to 1 bed per 126 veterans, which would have been very close to the national average of 1 bed per 117 veterans under this original construction program. It is now contemplated that under a revised program to reduce this new general medical and surgical hospital in this area from 750 to 500 beds. If this alteration in size is carried through it will leave the District of Columbia with 1 bed per 164 veterans, as compared to a national average of 1 bed per 129 veterans.

The District of Columbia has a veteran population in the metropolitan area considerably larger than many States. The District of Columbia so far as veterandom is concerned, is rather peculiarly situated in that many veterans from all over the country come to Washington to see about their claims, and many of these ill men become so ill while they are in Washington that it is necessary to hospitalize them in veterans' beds here. Likewise, because of this geographic location and because of shortage of veterans' beds in the adjoining States of Maryland and Virginia, the present 335-bed general medical and surgical hospital at Mount Alto, Washington, D. C., carries a large patient load from Maryland and Virginia, so that only about half its capacity is for District patients. The same would be true in the new construction planned for Washington, D. C. Also, the present veterans' hospital at Mount Alto, Washington, D. C., contains one of the three Veterans' Administration diagnostic centers, and many veterans from the eastern territory of the United States are hospitalized there because of special diagnostic studies necessary because of difficulty arising out of the proper adjudication of their claims.

For many years there have been large waiting lists of seriously ill District patients awaiting hospitalization. Frequently it is impossible to get even an emergency case admitted. Many District veterans have had to be hospitalized in veterans' hospitals in distant States because of this shortage of hospital beds for all types of cases. This is particularly true of the mental cases. The proposed 750-bed new construction in the Washington, D. C., area was planned to contain a neuropsychiatric unit which would help to relieve the urgent needs of hospitalizing acute medical emergencies in the mental field.

Most testimony was introduced showing that there is not a need for the full 750 beds. Assurance was given that this hospital could readily be staffed with a full-time staff of competent medical, nursing, and other personnel. These are readily available in every recognized specialty of medicine. This is confirmed by the Veterans' Administration which, when asked regarding their comments regarding the staffing of this hospital, have replied that the hospital is "located in a community where there are medical schools. No difficulty in staffing."

FLORIDA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	300,000
VA authorized standard beds	1,268

	State	National
Veterans per bed:		
Jan. 5, 1949	237	178
Original construction and expansion program	127	117
Revised construction and expansion program	237	129

Hospitals eliminated

Location	Type	Beds
Gainesville	NP	1,000
Tallahassee	GM	100

Estimated obligation incurred by Government, hospitals eliminated

Location	Type	Amount
Gainesville	1,000 NP	$1,006,000
Tallahassee	100 GM	244,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Bay Pines	GMS	440
Coral Gables	GMS	450
Lake City	GMS	378
Total		1,268

Contracts with Army, Navy, Public Health Service and other Federal hospital beds for use of veterans—Other Government

Navy	185
Civil and State	20
Combined total	205

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	13,164
Hospitalization in State	11,277
Hospitalized in other States	1,887
Veterans discharged outside State	1,897

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	2,307	1,066	1,262	1,010
Bay Pines, VA hospital	515	239	294	233
Coral Gables, VA hospital	868	468	353	322
Lake City, VA hospital	306	175	256	190
Miami, regional office	152	8	-------	-------
Pass-A-Grille, regional office	470	466	-------	-------
Non-VA hospitals	------	------	359	265

Awaiting admission—Feb. 28, 1949

Bay Pines	67
Coral Gables	44
Lake City	80
Miami, regional office	9
Pass-A-Grille, regional office	3
Grand total	203

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Atlanta): Florida

Length of waiting period:	
1 to 60 days	714
61 to 120 days	168
121 to 180 days	61
Over 180 days	65
Total awaiting	1,008

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Bay Pines	GMS	24	1	94	0	4	0	430
Coral Gables	GMS	20	14	94	1	2	0	391
Lake City	GMS	20	1	64	0	2	0	363
Total	-------	64	16	252	1	8	0	1,184

Staff required for hospital eliminated

	Gainesville	Tallahassee
Number of doctors	33	10
Number of nurses	81	26
Number of dentists	3	1
Number of technicians	56	18

Comments regarding staffing of hospitals

Gainesville, NP: Difficult to staff properly.
Tallahassee, GM: Moderately difficult to staff.

Comments

Florida

Testimony given revealed that the fact that Florida as a State occupied a very unique position. First of all, its population is stated to have grown from the census report of 1940 of 1,900,000 to an estimate now with the Census Bureau of 2,400,000. It was stated that the growth in veteran population has been greater and out of proportion to the general growth of the State, thereby producing an acute problem insofar as the hospital needs of veterans are concerned. It was further brought out that as a transient State Florida's population expands from 2,000,000 to 3,000,000 people during the winter and a conservative estimate that 20 percent of these are veterans would result in approximately 250,000 to 400,000 veterans residing in Florida every winter. It was further brought out that a large number of the veterans who migrate to Florida either sea-

sonally or permanently do so because of climatic conditions. It was felt that inasmuch as the Veterans' Administration is a Federal agency it follows that these veterans are as much a responsibility as a permanent resident of the State. Many of these sick veterans who come to Florida in order to recover from an illness or to alleviate chronic disabilities at times become so sick as to need veterans' hospital care often in emergency situations and get permanent hospitalization. As a result they tremendously overtax the present inadequate existing Veterans' Administration hospital facilities. The actual population statement with reference to Florida veterans in itself does not tell the story because of this added out-State load. Correspondence introduced from Veterans' Administrator, General Gray, states:

"I realize that the ratio of veterans' beds to population is somewhat lower in Florida than in some other States—however, we were faced with a directed reduction of 16,000 beds."

It was brought out that Florida also occupied a further unique position in the family of States due to the fact that it is a virtual appendage to their part of the North American Continent being situated in three sides and does not have available to it beds in neighboring States, except to the north. Because of this, Florida actually needs a greater number of beds per veteran capita than would be needed by most other States. It was brought out that veterans had to travel hundreds and well in excess of a thousand miles to obtain hospitalization outside of the State.

Relative to the elimination of the proposed 1,000 NP hospital at Gainesville, it was brought out that Florida had no veterans' hospital equipped to handle mental disorders. Because of this, it has been necessary to hospitalize Florida veterans with mental disorders outside of the State. As of March 14, 1949, 709 Florida veterans suffering from neuropsychiatric disorders were reported by the Veterans' Administration as being hospitalized in 7 neuropsychiatric hospitals in 5 States (Alabama, Georgia, Louisiana, Mississippi, and Tennessee). For the families of veterans to be able to visit them they had to frequently travel 1,500 miles with at least a 2-day trip. State's facilities were reported as inadequate. It was reported that Florida had only one State institution caring for mental cases. This hospital was reported to be built for 3,000 patients but at the present was carrying a load of 4,500 patients and still had a large waiting list of patients, veteran and nonveteran, awaiting admission. As a result, many emergency cases had to be committed to jails, although they were not criminals, for safekeeping.

At the present time, it was reported that 35 veterans were confined to jail awaiting admission to mental hospitals, 40 others certified as in need of hospitalization in a Veterans' Administration hospital, and 65 awaiting admission to a State mental hospital but not admitted because of lack of facilities, making a total of 140 Florida veterans now awaiting hospitalization for their mental disorders but unable to obtain same because of lack of facilities. The acuteness of the situation was attended to by a meeting of county judges of Florida on February 12, 1949, who, at that time, were on record as maintaining that the Congress and the Veterans' Administration provide hospital facilities in the State for mentally ill war veterans. It was reported that the jurists took this action after discussion with the chief attorney in Florida of the Veterans' Administration. One member of the congressional delegation from Florida testified that while he was acting as a county judge he had to keep veterans in jail from 3 to 6 weeks before he could get them into a veterans' hospital. Testimony was introduced showing veterans committing acts of violence and in one instance a news article, dated March 8, 1949, was mentioned wherein a mentally afflicted veteran unable to get needed care fatally stabbed his wife. There was a unanimity of opinion of all witnesses appearing stressing the emergency need for adequate NP facilities for the State. It was reported that the proposed location of this neuropsychiatric hospital at Gainesville was in a location 68 miles from Jacksonville, Fla., a city of approximately 250,000 population, with certified specialists in every branch of medicine who would be available on a consultant basis and sufficient to set up a medical residency program. The two cities are connected by several high-speed highways, making the hospital readily accessible to visiting medical consulting specialists.

Testimony of a past president of the Florida State Medical Association indicated that the Governor of Florida had recommended that a medical school be established in Gainesville in connection with the University of Florida. He reported that a board, chief of which was president of the University of Louisiana Medical School, canvassed the entire State and recommended that a medical school be established in Florida and that it be located in Gainesville. This board was convened at the direction of the legislature and Governor of Florida, and worked with the State board of control. This witness further stated that the Alachua County Medical Society offered their services for all general medical and surgical patients admitted to such a hospital, if built. It was further brought out that the University of Florida, with approximately 10,000 students and an additional 1,500 or more staff, was located in Gainesville. The witness further reported that he had a personal commission from the president of the University of Florida offering the facilities of the university and the faculty to help in the operation of a veterans' hospital when established in Gainesville. Also that Gainesville was located in north central Florida and easily accessible to other parts of the State by good roads and two railroads.

A report from the parole commission from the State penitentiary, Raiford refers to the fact that 514 World War II veterans were committed to that prison in 1947, and 440 in 1948, and that on February 15, 1949, there were 1,395 World War II veterans in the State penitentiary. In their report the board expressed an opinion that a very large percentage of them were definitely affected by their war experiences and, in many instances, there was a direct connection, continuing, the parole commission made the following statement:

"Certainly there is a great need for a Veterans' Administration neuropsychiatric hospital here in Florida, and I feel that a great many of the number listed above would not be in prison had they been in such a hospital where they belong."

Tallahassee, Fla.

This hospital was orginally designed by the Veterans' Administration to contain 200 general medical and surgical beds. Subsequently, it was reduced to 100 beds with the other 100 beds being assigned to Thomasville, Ga., approximately 30 miles away.

There is no Veterans' Administration hospital to serve a 550,000 population within a 100-mile radius of Tallahassee. This city is centrally located in northern Florida, 211 miles from Pensacola; 175 miles to Jacksonville. It is stated that there are eight main highways leading into the area. The Florida State University is located in Tallahassee and was testified to, that the president of that university has been very cooperative with the city in the construction of their hospital. Construction of a nursing school in connection with the hospital and the Florida State University is contemplated and the president of the Florida State University has stated that his faculty would be available for the Veterans' Administration hospital as well as the local city hospital. Testimony was introduced from the president of the Leon County Medical Society stating that there is adequate medical personnel locally to staff a 100-bed veteran hospital and assurance was given that the members of that society would cooperate with such project.

It was brought out that on January 12, 1949, the veterans' hospital in Miami (Coral Gables) had 100 approved applications for haspitalization pending and because of lack of beds these applications had to be referred to the Veterans' Administration hospital at Memphis, Tenn., due to the fact that there was no opportunity for hospitalization for these general medical and surgical cases in Florida in the very near future. It was also brought out that the Veterans' Administration in 57 of the 67 counties in Florida during the last 20 months had spent well over $300,000 to pay for hospitalization of veterans in private, State, and municipal hospitals. The theory was advanced that this money could very well have been spent in the building of adequate general medical facilities of the Veterans' Administration in Florida. It was expected that this expenditure will increase in the years to come unless adequate beds were provided. If this is done, the States and cities could then take care of their own citizens who frequently lack adequate beds.

It was brought out that on January 15, 1946, after this site was selected by the Veterans' Administration, the then mayor of Tallahassee assured the Veterans' Administration that the city would comply with their requirements regarding water lines, electric facilities, expansion of sewage and disposal systems, and necessary paving. The city acting in good faith spent $21,000 on the extension of water mains to the area and $15,000 in electric installations with additional service lines to the area. In addition, necessary paving improvement cost approximately $6,000 in all. It was testified to that the sity spent, in direct charges on this project, the amount of $42,800 and indirectly paid $50,000 and $60,000, it being testified that the water line leading to the area cost alone over $25,000. That was primarily built for the feeding of the hospital area. In addition, the county has learned of a contract for $15,000 for paving the streets on the north boundary of the area in which work was expected to be completed within the month.

GEORGIA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949..... 341,000
VA authorized standard beds..... 2,381

	State	Nation l
Veterans per bed:		
Jan. 5, 1949	143	178
Original construction and expansion program	82	117
Revised construction and expansion program	95	129

Hospitals eliminated

Location	Type	Beds
Americus	TB	250
Thomasville	GM	100

Estimated obligation incurred by Government, hospital eliminated

Location	Type	Amount
Americus	250 TB	$331,000
Thomasville	100 GM	0

Projects altered in size from present plans

Location..... Atlanta.
Type..... GM.
Beds..... From 750 to 500.

Estimated obligation incurred by Government, hospital altered

Location	Atlanta.
Type	500 GM.
Amount	Proposed donation.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Atlanta	TB	225
Augusta	NP	1,330
Chamblee	GMS	730
Dublin	do	200
Total		2,505

Contracts with Army, Navy, Public Health Service and other Federal hospital beds for use of veterans—other Government

Army	175
Marine	50
Total	225
Civil and State	270
Combined total	495

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	14,377
Hospitalization in State	11,385
Hospitalized in other States	2,991
Veterans discharged outside State	2,992

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	2,414	1,235	1,324	1,150
Atlanta, VA hospital	15	21	46	23
Augusta, VA hospital	208	122	124	110
Chamblee, VA hospital	689	494	583	547
Dublin, VA hospital	179	195	177	165
Atlanta, regional office	1,323	403	-----	-----
Non-VA hospitals	-----	-----	400	305

Awaiting admission, Feb. 28, 1949

Atlanta	95
Augusta	89
Chamblee	-----
Dublin	-----
Atlanta, regional office	-----
Grand total	184

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area: Atlanta Ga.

Length of waiting period:	
1 to 60 days	714
61 to 120 days	168
121 to 180 days	61
Over 180 days	65
Total awaiting	1,008

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Atlanta	TB	11	0	42	0	2	0	225
Augusta	NP	20	15	81	0	3	0	1,330
Chamblee	GMS	17	30	127	2	5	0	607
Dublin	GMS	9	0	38	0	2	0	200
Total		57	65	288	2	12	0	2,362

Staff required for hospitals eliminated

	Americus	Thomasville
Number of doctors	15	10
Number of nurses	44	26
Number of dentists	1	1
Number of technicians	20	18

Additional staff required for hospital altered in size

Atlanta:	
Number of doctors	15
Number of nurses	50
Number of dentists	1
Number of technicians	20

Comments regarding staffing of hospitals

Atlanta, GM: Altered in size; located in community where there are medical schools, no difficulty in staffing.
Americus, TB: Eliminated; difficult to staff properly.
Thomasville, GM: Eliminated; difficult to staff properly.

Comments

Americus, Ga.

This 250-bed tuberculosis hospital has been eliminated. Testimony from individuals representing Georgia and the surrounding State, in fact, Nation-wide, testified to the general shortage of tuberculosis beds. It was brought out that there was a very definite need for a tuberculosis hospital not only to serve Georgia but to serve Florida and Alabama and a section of Mississippi. Facilities for treating tubercular veterans in this area are at Memphis, Tenn., and Oteen, N. C., and a recent conversion of a veterans' hospital at Atlanta, Ga. It has an authorized bed capacity of 225 beds. As of December 31, 1948, there was a waiting list in this veterans' hospital at Atlanta of 108 tuberculosis cases, 87 of those had been on the waiting list for more than 40 days. The Veterans' Administration, after an exhaustive survey and study of Georgia, Florida, and Alabama, determined that a tuberculosis hospital was needed, and after considering some 42 sites, selection was made at Americus.

Americus is located 140 miles south of Atlanta and is centrally located to serve the southeastern area. After this site had been selected the city of Americus, at the request of the United States engineers, provided certain facilities which so far has cost the city government and the people of this community approximately $65,000. A 25-acre tract was bought and paid for and deeded to the United States Government. The city then ran special sanitary sewers and enlarged the water mains and the fire department and proceeded with this work at the instance of the Corps of Engineers and several communications directly from the construction department set up dates for inviting of bids. Originally bids were to be invited in May of 1948. It was later found necessary to revise the plans and at the time of the President's recommendation for cut-back the date for inviting bids on this project was set for January 9, 1949. The plans were listed as 99 percent complete at that time. In addition, the State of Georgia, with this hospital plan in mind, is now constructing at Lake Blackshear, 20 miles from this hospital site, a 2,000-acre State park, which has already been named Veterans' Memorial State Park.

As regard staffing, it was brought out that Americus has a good medical center. The doctors at the community had agreed to be on the staff if called upon for any of their services. A bond issue has just been voted in Americus for a new hospital to add 80 additional beds to the existing hospital and in order to clear a hurdle that might exist locally about nurses a nurses' training school is to be provided for training nurses locally.

Atlanta, Ga.

This project originally called for 750 general medical and surgical beds and was reduced to 500 merely because of the state of necessity to reduce the general construction program by approximately 16,000 beds. There is general agreement that these beds are badly needed and there is no difficulty whatsoever anticipated in the staffing of these beds.

ILLINOIS

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	1,213,000
VA authorized standard beds	8,543

	State	National
Veterans per bed:		
Jan. 5, 1949	142	178
Original construction and expansion program	118	117
Revised construction and expansion program	127	129

Hospital eliminated

Location	Decatur.
Type	GM.
Beds	250.

Estimated obligation incurred by Government—hospital eliminated

Location	Decatur.
Type	250 GM.
Amount	$329,000.

Projects altered in size from present plans

Location	Chicago.
Type	GM.
Beds	From 1,000 to 500.

Estimated obligation incurred by Government—hospital altered

Location	Chicago.
Type	500 GM.
Amount	$987,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Danville	NP	2,025
Downey	NP	2,982
Dwight	GMS	286
Hines	GMS	3,253
Marion	GMS	176
Total		8,722

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Gorernment

Marine	75
Civil and State	1,173
Combined total	1,248

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	25,568
Hospitalization in State	25,02[illegible]
Hospitalized in other States	3,548
Veterans discharged outside State	3,548

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	5,088	3,301	3,198	2,777
Danville, VA hospital	72	127	109	111
Downey, VA hospital	78	149	150	93
Dwight, VA hospital	184	182	176	152
Hines, VA hospital	3,330	2,113	2,459	2,175
Marion, VA hospital	275	21	193	159
Chicago, regional office	1,129	529	-----	-----
Non-VA hospitals	-----	-----	101	87

Awaiting admission, Feb. 28, 1949

Danville	37
Downey	34
Dwight	90
Hines	366
Marion	55
Chicago	-----
Grand total	582

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Chicago): Illinois

Length of waiting period:	
1 to 60 days	656
61 to 120 days	186
121 to 180 days	50
Over 180 days	145
Total awaiting	1,037

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Danville	NP	14	9	82	0	3	0	1,926
Downey	NP	34	17	138	0	5	0	2,524
Dwight	GMS	12	3	37	0	1	0	226
Hines	GMS	53	283	514	0	12	0	3,154
Marion	GMS	14	2	38	0	2	0	176
Total		127	314	809	0	23	0	8,006

Staff required for hospital eliminated

Decatur:	
Number of doctors	9
Number of nurses	57
Number of dentists	3
Number of technicians	35

Additional staff required for hospital altered in size

Chicago:	
Number of doctors	27
Number of nurses	97
Number of dentists	3
Number of technicians	46

Comments regarding staffing of hospitals

Decatur, GM: Eliminated; difficult to staff properly.
Chicago, GM: Altered in size; located in community where there are medical schools, no difficulty in staffing.

Comments

Chicago

A contemplated 1,000-bed general medical and surgical hospital is scheduled for reduction in size to 500 beds. It was the general agreement that the need for the additional 500 beds did exist and, likewise, that there would be absolutely no difficulty in staffing these beds. Cook County serves approximately 750,000 veterans. It was testified to that even if these 500 beds were restored here and the 250 general medical and surgical beds restored at Decatur that there would still not be enough of these beds to take care of the present and anticipated needs.

It was further testified to that the Hines Hospital has served Cook County for many years, as always, but too small for the load they were required to assume. In addition, it was brought out that this is not only a general medical and surgical hospital but is also a diagnostic center for all of the Midwest and that veterans are being sent there from all parts of the central part of the country to receive diagnostic services and specialized medical care. Likewise, the Veterans' Administration has the Hines Hospital, a very large tumor clinic, with patients being sent there from many States for specialized attention.

Decatur, Ill.

This project of a 250-bed general, medical, and surgical hospital has been recommended for abandonment. This city is located in central Illinois and the area contemplated to be served is stated to care for potentially over 2,000 veterans who now have to go a distance over 300 miles from Marion to Dwight but no hospital in between these two places. It is stated that there are 33 counties of Illinois without a close Veterans' Administration hospital and this works a great hardship, especially on acute cases and those requiring emergency attention. Greater Decatur itself is stated to have a population of 80,000.

Testimony brought out the fact that Decatur, Ill., holds a unique position in being the only city in America on two occasions unanimously selected for the site of a veterans' hospital by the Federal Board of Hospitalization. Originally it was so selected in 1940 to serve Decatur and the surrounding area but this proposed site was subsequently transferred to Marion, Ill. Studies in 1943, 1944, and 1945 revealed a great need of further general, medical, and surgical beds in this area and again Decatur was recommended for the site of a hospital to serve this area.

The need for general, medical, and surgical beds in this area does not appear to be questioned. Instances were cited of veterans on the waiting list for a considerable period of time dying before they could be admitted. The Veterans' Administration, which originally proposed this site, is now stating that witnesses from that area, however, have testified that there are sufficient specialists, consultants, and general practitioners to properly staff the hospital. Likewise, it was brought out that there are many nurses graduating from large recognized nurses' training schools in Illinois and Missouri who are now working away from their homes in the Decatur area who would be glad to come back home and work in this proposed hospital.

It was further brought out that private public institutions in the State are unable to take care of the existing hospital load because they are already filled to capacity. 11,073 veterans are now hospitalized in civil and State hospitals. Approximately 1,300 of the presently authorized Veterans' Administration hospital beds in the State are of wartime construction. These are at Hines (Vaughn) and Downey (Great Lakes).

The Veterans' Administration official waiting list for February 28, 1949, is given as 582. The director of rehabilitation of a service organization stated his figures showed 609 and "That is a very conservative figure." It was brought out that in February 1949, 4,000 veterans applied for hospital treatment but only 2,900 could be admitted because of lack of beds or because they were not urgent cases and, consequently, were not placed on the official waiting list. It was also brought out that there are no Army hospitals in Illinois where beds are available.

The Decatur site was purchased January 17, 1946, and plans were in preparation. It was testified to that personnel, including professional men, are ideal. Surveys have definitely proven this. Decatur has a considerable number of outstanding men of the medical profession. The Veterans' Administration hospital would have been a part of a new medical center being contemplated.

KENTUCKY

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	320,000
VA authorized standard beds	2,914

	State	National
Veterans per bed:		
Jan. 5, 1949	110	178
Original construction and expansion program	78	117
Revised construction and expansion program	83	129

Projects altered in size from present plans

Location	Louisville.
Type	GM.
Beds	From 750 to 500.

Estimated obligation incurred by Government, hospital altered

Location	Louisville.
Type	500 GM.
Amount	$8,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Outwood	TB	376
Lexington	NP	1,220
Fort Thomas	GMS	308
Louisville	GMS	100
Total		2,914

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans

Civil and State	67

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	14,196
Hospitalization in State	10,728
Hospitalized in other States	3,468
Veterans discharged outside State	3,368

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	2,047	1,056	863	833
Outwood, VA hospital	37	53	34	39
Lexington, VA hospital	136	113	128	107
Fort Thomas, VA hospital	46	34	30	26
Louisville, VA hospital	1,639	857	665	657
Louisville, regional office	189	9	-----	-----
Non-VA hospitals	-----	-----	6	4

Awaiting admission, Feb. 28, 1949

Outwood	71
Lexington	11
Fort Thomas	0
Louisville	292
Louisville, regional office	0
Grand total	374

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Columbus) Kentucky

Length of waiting period:	
1 to 60 days	1,080
61 to 120 days	338
121 to 180 days	86
Over 180 days	101
Total awaiting	1,605

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Outwood	TB	11	1	29	0	2	0	318
Lexington	NP	10	10	57	0	2	0	1,230
Fort Thomas	GMS	6	0	23	0	2	0	308
Louisville	GMS	28	62	201	0	4	0	1,000
Total		55	73	310	0	10	0	2,856

Additional staff required for hospital altered in size

Louisville:	
Number of doctors	15
Number of nurses	50
Number of dentists	1
Number of technicians	20

Comments regarding staffing of hospital altered in size

Louisville, GM: Located in community where there are medical schools; no difficulty in staffing.

Comments

Kentucky

The testimony reveals that the State has a large veteran population with 29,014 Veterans' Administration beds authorized for the State while, during the fiscal year of 1948, over 20,000 veterans of Kentucky received hospital treatment. The program calls for a reduction of general-medical beds in Louisville from 750 to 500 which is a loss of 250 beds. However, the testimony points out that this proposed new hospital is to replace a 1,000 temporary bed in Louisville which is of temporary construction and has been referred to as very flimsy in construction and one which needs immediate replacement. The replacement hospital of 750 beds means a loss of 250 beds from the present bed allocation and by reducing the new hospital by 250 beds would mean a loss of 500 beds to Louisville instead of the 250 as indicated by a mere reduction of the 750-bed hospital to 500 beds. The present hospital at Louisville is overcrowded and has waiting lists and apparently can only take care of emergency cases. It should be borne in mind that Kentucky is surrounded by the States of Indiana, Illinois, Tennessee, Ohio, and West Virginia and invariably receive a large number of veterans from those States in the Kentucky hospitals. The testimony also indicates that State institutions are wholy inadequate to provide assistance to veterans and have a serious problem of taking care of the citizens of the State.

The Veterans' Administration selected and acquired by donation a site in the city of Louisville to locate the new hospital. It proceeded with the necessary engineering and architect plans at considerable cost and was at a point where actual construction of the project could begin with minimum delay.

MICHIGAN

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	788,000
VA authorized standard beds	3,165

	State	National
Veterans per bed:		
Jan. 5, 1949	249	178
Original construction and expansion program	164	117
Revised construction and expansion program	191	129

Hospitals eliminated

Location	Type	Beds
Grand Rapids	GM	200
Detroit	TB	500

Estimated obligation incurred by Government, hospital eliminated

Location	Type	Amount
Grand Rapids	200 GM	$369,000
Detroit	500 TB	513,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Fort Custer	NP	2,148
Dearborn	GMS	1,117
Total		3,265

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Army	200
Marine	75
Total	275
Civil and State	1,451
Combined total	1,726

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	11,786
Hospitalization in State	10,413
Hospitalized in other States	1,373
Veterans discharged outside State	1,378

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	1,862	1,412	1,165	947
Fort Custer, VA hospital	26	43	60	52
Dearborn, VA hospital	861	732	693	555
Detroit regional office	975	637		
Non-VA hospitals			412	340

Awaiting admission Feb. 28, 1949

Grand total	420
Dearborn	209
Fort Custer	211
Detroit regional office	---

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Columbus): Michigan

Length of waiting period:	
1 to 60 days	1,080
61 to 120 days	338
121 to 180 days	86
Over 180 days	101
Total awaiting	1,605

Medical personnel employed in existing VA hospitals—Assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Fort Custer	NP	13	15	60	0	3	0	2,148
Dearborn	GMS	28	86	205	0	7	2	976
Total		41	101	265	0	10	2	3,124

Staff required for hospital eliminated

	Grand Rapids	Detroit
Number of doctors	16	24
Number of nurses	48	71
Number of dentists	1	2
Number of technicians	18	35

Comments regarding staffing of hospitals—Eliminated

Detroit, TB: Can be very readily staffed.
Grand Rapids, GM: Can be very readily staffed.

Comments

Michigan

Although the Veterans' Administration has estimated the veteran population of Michigan as 788,000, testimony from the Governor of the State brings out that in the past decade there has been a tremendous growth of population in the State and that the latest estimation of veterans in Michigan is 885,000. Other testimony introduced stressed the fact that the 788,000 veterans in the Veterans' Administration figures does not take into consideration the transient veterans who migrate to heavy industrial sections. Hospital projects scheduled for elimination in this State are the Grand Rapids hospital with a 200-bed general medical and surgical capacity and the proposed hospital at Detroit, Mich., with a 500 TB bed capacity. The need for beds is very acute in both the State and in the Detroit area. The Governor of the State testified to a serious crisis existing in the State in providing a number of hospital beds for its nonveterans, as well as veterans. He brought out because no Veterans' Administration facilities are provided in Michigan for tubercular veterans the State has had to assume a large portion of the financial responsibility for the care of approximately 600 veterans now hospitalized in State, county, or private sanitaria. He further brings out that many veterans who are residents of Michigan and are being treated in Veterans' Administration facilities are being so treated in veterans' hospitals in several other States. The nearest Veterans' Administration facilities for tubercular patients are at Dayton, Ohio, or Milwaukee, Wis. There are approximately 450 such patients.

He brings out that this did not include the many veterans needing tubercular care who have refused hospitalization because it required separation from their families for a long period of time and considerable distance from their homes; also, those who have gone to these out-of-State facilities do not stay the full time required and return home before being cured. It also brings out the crowded urban conditions, and the shortage of facilities. This area has 50 to 60 percent of the total number of tubercular cases in the State and has a death rate of twice that of the remainder of the State. Oral testimony before the committee by the commissioner of health, Detroit, Mich., revealed a serious crisis regarding adequate facilities for cases of tuberculosis in Wayne County in which Detroit is located. Of 900 patients in Michigan dying of tuberculosis last year, 600 were from Wayne County. He brings out that there has been a large waiting list of urgent cases needing hospitalization which would be materially reduced if the veterans were cared for in their own hospitals. He further verifies the fact that tubercular veterans hospitalized at Dayton and Milwaukee leave early before treatment is completed because of their homesickness or inability to have their families visit them on account of the long distance. At the time of his testimony he cited an urgent waiting list of 125 to 150 patients needing hospital care at once who now must wait and to assure prompt care for all patients, veterans and nonveterans, 300 additional tuberculosis beds are needed for Wayne County alone. He stressed that the care of the veterans near their own homes is essential to securing cooperation and remaining in the hospital until treatment is completed.

As regards staffing the health commissioner stated that while there was in the past a difficulty in staffing a definite change in the securing of nursing and other personnel, it has changed for the better in the past few months and he now has been able to open beds which were closed because of shortage of staffs. Other testimony indicated that an independent survey would show that there would be sufficient doctors, nurses, technicians, etc., to staff this proposed tubercular hospital, if and when erected. Attention was invited to the medical colleges located in the city of Detroit whose medical and other personnel would be available in such

staffing. The Veterans' Administration has stated that this hospital could be very readily staffed. As regards the Grand Rapids general medical and surgical hospital the Governor of the State brought out that unless this hospital is built there would be no veterans' facilities provided for approximately 200,000 veterans living in the 30 counties of western Michigan. He brings out that there is a lack of sufficient hospital beds for the general public. As regards staffing it was brought out that Grand Rapids has a highly developed medical program and is the home of many nationally known medical experts in special lines. These would be available for proper staffing of this proposed hospital. Further information was submitted by the State service officer of a national service organization that in a recent visit to the subregional office at Escanaba that the manager of that veterans' office had advised him that they had more than twice the applications on file that would be necessary to staff this hospital, both professional and lay and services. The Veterans' Administration has indicated that this proposed hospital can be readily staffed.

MINNESOTA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	382,000
VA authorized standard beds	2,144

	State	National
Veterans per bed:		
Jan. 5, 1949	178	178
Original construction and expansion program	142	117
Revised construction and expansion program	153	129

Hospitals eliminated

Location	Duluth.
Type	GM.
Beds	200.

Estimated obligation incurred by Government, hospital eliminated

Location	Duluth.
Type	200 GM.
Amount	$274,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
St. Cloud	NP	1,387
Minneapolis	GMS	1,046
Total		2,433

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Civil and State	215

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	10,371
Hospitalization in State	9,092
Hospitalized in other States	1,279
Veterans discharged outside State	1,285

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	1,628	988	935	822
St. Cloud, VA hospital	28	27	36	31
Minneapolis, VA hospital	1,368	891	848	745
Minneapolis, regional office	232	70	------	------
Non-VA hospitals	------	------	51	46

Awaiting admission, Feb. 28, 1949

Minneapolis	290
St. Cloud	54
Minneapolis, regional office	--
Grand total	344

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (St. Paul): Minnesota

Length of waiting period:	
1 to 60 days	671
61 to 120 days	280
121 to 180 days	88
Over 180 days	162
Total awaiting	1,201

Medical personnel employed in existing VA hospitals—Assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Minneapolis	GMS	139	3	252	8	5	0	1,014
St. Cloud	NP	7	1	59	0	2	0	1,387
Total		146	4	311	8	7	0	2,401

Staff required for hospital eliminated

Duluth:	
Number of doctors	16
Number of nurses	48
Number of dentists	1
Number of technicians	18

Comments regarding staffing of hospitals, eliminated

Duluth, GM: Difficult to staff properly.

Comments

MINNESOTA

As of January 5, 1949, Minnesota with its estimated veteran population of 382,000 had 1 Veterans' Administration hospital bed available for every 178 veterans which was the same as the national average as of that date. Due to the expanded veteran population following World War II, the original construction and expansion program of hospital construction resulted in there being set up a contemplated average of 1 veteran for every 117 hospital beds. Under the original construction and expansion program, considering the 200-bed general medical and surgical hospital to be erected at Duluth, would have given Minnesota 1 bed per 142 veterans. This would have been below the national average. However, in the revised construction and expansion program, the hospital at Duluth is scheduled for elimination and this would bring the veterans' beds available in Minnesota to 1 bed for every 153 veterans as compared to a national average in the revised construction program of 1 bed per 129 veterans.

Another factor to be considered in further reducing the available veterans' beds to Minnesota veterans is that the present general medical and surgical veterans' hospital at Minneapolis is a highly specialized hospital and serves as a specialized medical and surgical treatment center for veterans in Iowa, Nebraska, North and South Dakota. There are no Army, Navy, or Public Health Service beds available to the Veterans' Administration in Minnesota. Because of the shortage of veterans' beds and the fact that the veterans' hospital at Minneapolis (Fort Snelling) has not been adequate in the past to meet the needs of all veterans of Minnesota. It was testified to that the construction of the proposed hospital at Duluth is essential.

The construction of the Duluth hospital was planned to serve 66 counties in Minnesota, North Dakota, Wisconsin, and upper Michigan, with an estimated veteran population from 51,000 to 75,000. It is now necessary for certain very sick veterans to travel by bus, from a train, ambulance, or private conveyance a distance as much as 250 miles in Minnesota to reach the veterans' hospital at Minneapolis. Due to the severe winter and the fact that the hospital beds are in greater demand at that time, it is often impossible for a veteran in the Duluth area to get to an existing veterans' hospital bed even if same is available. Such a hospital, if constructed, would serve an area which is now quite inaccessible to existing or contemplated veterans' hospitals. Because there are no veterans' hospital facilities readily available to even urgent service-connected cases, there are now 50 veterans in private hospitals in the city of Duluth. All of the hospitals in Duluth are filled and some of them are planning forced emergency expansion. Some of the hospitals such as St. Luke's have Quonset huts set up on the lawn to take care of their emergency cases. Even if the Duluth hospital is built the average bed available per veteran for that area would still be below the national average of veterans' beds per patient and would result in one hospital bed for every 275 veterans in that area as compared to the national average of 129. As far as staffing is concerned, congressional and other witnesses appearing before the committee report that they have prospective assurance from doctors that enough facilities would be available in Duluth to man the proposed hospital there. It is reported that there are plenty of medical and nursing talent available within a few minutes drive from the proposed site. Detailed information was introduced to show that Duluth is recognized as a medical center with necesary professional and technical talent conducive to the operation of a veterans' hospital. On the other hand the Veterans' Administration has commented that as regards staffing it would be difficult to staff this proposed hospital properly.

MISSISSIPPI

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	225,000
VA authorized standard beds	1,891

	State	National
Veterans per bed:		
Jan. 5, 1949	119	178
Original construction and expansion program	98	117
Revised construction and expansion program	119	129

Hospitals eliminated

Location	Type	Beds
Mound Bayou	GM	200
Tupelo	GM	200

Estimated obligation incurred by Government, hospital eliminated

Location	Type	Beds
Mound Bayou	200 GM	$231,000
Tupelo	200 GM	279,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Gulfport	NP	1,098
Biloxi	GMS	238
Jackson	GMS	750
Total		2,086

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—other Government

Civil and State	90

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	10,784
Hospitalization in State	7,524
Hospitalized in other States	3,260
Veterans discharged outside State	3,261

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	1,327	997	786	633
Gulfport, VA hospital	69	74	62	72
Biloxi, VA hospital	200	119	141	127
Jackson, VA hospital	980	788	537	429
Jackson, regional office	78	66	----	----
Non-VA hospitals	----	----	6	5

Awaiting admission, Feb. 28, 1949

Biloxi	----
Gulfport	7
Jackson	302
Jackson, regional office	----
Grand total	309

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Dallas): Mississippi

Length of waiting period:	
1 to 60 days	1,084
61 to 120 days	449
121 to 180 days	221
Over 180 days	536
Total awaiting	2,290

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Gulfport	NP	17	1	44	0	2		1,098
Biloxi	GMS	18	2	42	0	3	0	238
Jackson	GMS	28	20	97	0	3	0	570
Total		63	23	183	0	8	0	1,906

Staff required for hospital eliminated

	Mound Bayou	Tupelo
Number of doctors	15	16
Number of nurses	48	48
Number of dentists	1	1
Number of technicians	18	18

Comments regarding staffing of hospitals

Mound Bayou, GM: Difficult to staff properly.
Tupelo, GM: Difficult to staff properly.

Comments

Mississippi

The testimony shows that the general medical 200-bed hospital at Tupelo is to be eliminated. Yet, the location of this proposed hospital is located in an ideal area because it is almost 200 miles from Jackson, some 112 miles from Memphis and about 120 miles from Birmingham, Ala. It is a sort of a halfway ground from two good cities. It should be kept in mind that Mississippi is a long State and means that this area is handicapped in the distance veterans must travel for the purpose of obtaining hospitalization. The State is 360 miles in length and approximately 120 to 200 miles in width. The testimony further shows that there are two permanent hospitals located on the Gulf coast area with one temporary hospital in Jackson which leaves the northern area of the State without hospital facilities. The biggest problem is the fact that the Jackson hospital cannot continue to operate indefinitely as there must be some permanent construction to replace this institution.

With reference to the Mound Bayou general medical 200-bed hospital proposed to be eliminated, it was pointed out that this hospital is designated for Negroes. Mound Bayou is located in the second largest Negro area in the State. This area has its Negro insurance companies, doctors, and leaders of the State who want the hospital and want it located at Mound Bayou and would take great pride in assisting in staffing this hospital with Negro doctors and nurses.

The State institutions cannot adequately care for the citizens of the State and many veterans attempting to receive treatment have been forced to be placed in jails awaiting hospital treatment.

MISSOURI

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	484,000
VA authorized standard beds	1,412

	State	National
Veterans per bed:		
Jan. 5, 1949	343	178
Original construction and expansion program	124	117
Revised construction and expansion program	134	129

Projects altered in size from present plans

Location	Type	Beds	
		From—	To—
Kansas City	GM and TB to all TB.	745	[1] 500
St. Louis	GM	1,000	500

[1] Originally planned for 495 GM and 250 TB beds, now 500 TB beds.

Estimated obligations incurred by Government, hospital altered

Location	Type	Amount
Kansas City	500 GM	$50,000
St. Louis	500 GM	166,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Excelsior Springs	TB	251
Springfield	TB	600
Jefferson Barracks	GMS	676

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Marine	60
Civil and State	3
Combined total	63

Veterans hospitalized in VA and non-VA hospitals—Fiscal year 1948

Total hospitalized	15,810
Hospitalization in State	6,587
Hospitalized in other States	9,223
Veterans discharged outside State	9,224

Applications for hospitalization, admissions, and discharges—January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	2,204	1,107	910	861
Excelsior Springs, VA hospital	21	33	31	31
Springfield, VA hospital	125	127	132	98
Jefferson Barracks, VA hospital	1,273	889	674	672
St. Louis, regional office	374	56	----	----
Kansas City, regional office	411	2	----	----
Non-VA hospitals	----	----	73	60

Awaiting admission—Feb. 28, 1949

Excelsior Springs	9
Springfield	16
Jefferson Barracks	60
Grand total	85

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (St. Louis): Missouri

Length of waiting period:	
1 to 60 days	385
61 to 120 days	45
121 to 180 days	8
Over 180 days	5
Total awaiting	443

Medical personnel employed in existing VA hospitals—assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Excelsior Springs	TB	9	0	33	0	1	0	244
Springfield	TB	10	0	71	0	1	0	467
Jefferson Barracks	GMS	84	0	130	2	5	0	681
Total		103	0	234	2	7	0	1,392

Staff required for hospital altered in size

	Kansas City	St. Louis
Number of doctors	15	27
Number of nurses	49	97
Number of dentists	1	3
Number of technicians	20	46

Comments regarding staffing of hospitals—Altered in size

Kansas City, GM and TB: Located in communities where there are medical schools and no difficulty in staffing.

St. Louis, GM: Located in communities where there are medical schools and no difficulty in staffing.

Comments

Missouri

The Veterans' Administration's estimated veteran population is given as 484,000. Information furnished by the Government of the State indicates the veteran population of Missouri to be in excess of 6,000. Information furnished by the State service officer of Missouri is to the effect that according to figures obtained from the adjutant general's office, approximately 170,000 veterans of World War I were paid State bonuses by Missouri and according to Missouri accurate figures obtained Missouri has a total of 640,000 veterans of all wars. Projects scheduled for alteration in size from present plans are a

proposed general medical and surgical hospital of 1,000 beds at St. Louis, Mo., scheduled for reduction of 500 such beds and a hospital at Kansas City, Mo., originally planned for 495 general medical and surgical beds and 250 TB beds now scheduled for a reduction from the 745 combined beds to 500 TB beds.

It was brought out that the large centers of veteran population of Missouri are located in St. Louis and adjoining counties are in the vicinity of Kansas City and its adjoining counties. These are the two locations involved in the hospital construction cut-back.

Testimony was brought out that the Veterans' Administration plans to convert the present Veterans' Administration hospital at Jefferson Barracks to a neuropsychiatric hospital when the new general medical and surgical hospital is completed in St. Louis. This, therefore, would result in an actual reduction of general medical and surgical beds than is now available in this area. At the existing Jefferson Barracks veterans' hospital, it is brought out that they have an average daily emergency waiting list of 133 veterans in addition to the many P–10's being transferred there from other hospitals to reduce the present general medical and surgical beds and, therefore, work an unjust, undue, and unnecessary hardship on the veterans of Missouri and Illinois who now largely use this hospital.

The veteran population of the 38 counties of the eastern half of Missouri now officially designated as the area served by the present hospital at Jefferson Barracks is stated to serve, according to Veterans' Administration figures, a veterans population of 290,000 in addition to 37 counties in Illinois also included in this area and containing 190,830 veterans. The combined total of veterans thus served by this hospital is 489,830 with 60 percent of the veterans hospitalized from Missouri. This hospital now is averaging 900 admissions a month and is able to operate at the present bed capacity of 676 by utilizing sunrooms and other space for such much-needed beds. At the present time, 2,500 veterans in the State of Missouri are hospitalized outside of the State with the number broken down as 1,300 mental patients and 1,200 tuberculosis and general medical and surgical cases. This would seem to justify the proposed conversion of Jefferson Barracks to a neuropsychiatric hospital but with a loss of general medical and surgical beds in St. Louis, together with the elimination of all of the proposed general medical and surgical beds at Kansas City. The emergent general medical and surgical situation which has existed in Missouri, since prior to 1941, is expected to become more urgent and critical. There appears to be, therefore, no question as to the emergency needs for the proposed beds irrespective of their type or classification.

As regards staffing, both of the hospitals in Kansas City and St. Louis are located in communities where there are medical schools and this is recognized by the Veterans' Administration, who have indicated because of this that there would be no difficulty in staffing. In addition, the large number of fine hospitals and nurses' training schools in these areas would provide a large reservoir of nursing personnel to draw from, as well as the ability to recruit the necessary civilian staff for other needed positions.

The record contains a telegram from the president of the Jackson County Medical Society, covering the greater Kansas City area, pledging their wholehearted support of the medical profession of this area to staff the hospital from the local profession and to form the consultant group to administer the best care to the veterans. At the St. Louis area, it was brought out that application for positions as resident doctors are triple as regards the openings available. It was also brought out that the doctors who made these applications at the present general medical hospitals at St. Louis stated they would not accept positions elsewhere. With this large reservoir of applications from doctors in excess of the openings available no difficulty should be experienced in adequately staffing a 1,000-bed general medical and surgical hospital at St. Louis and that number is one that appears to be urgently needed. There are two medical schools in St. Louis, i. e., the Washington University and the St. Louis University, who have been responsible for an excellent consultant staff, as well as producing a condition where applications for residents are tripled to that of the positions available.

NEW YORK

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	2,047,000
VA authorized standard beds	9,369

	State	National
Veterans per bed:		
Jan. 5, 1949	218	178
Original construction and expansion program	118	117
Revised construction and expansion program	127	129

Hospital eliminated

Location	New York.
Type	Rehabilitation.
Beds	1,000.

Estimated obligation incurred by Government, hospital eliminated

Location	New York.
Type	1,000 rehabilitation.
Amount	$6,000.

Projects altered in size from present plans

Location	Syracuse.
Type	500 GM.
Beds	From 1,000 to 500.

Estimated obligation incurred by Government, hospital altered

Location	Syracuse.
Type	500 GM.
Amount	$288,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Castle Point	TB	607
Sunmount	TB	564
Canandaigua	NP	1,713
Northport	NP	2,702
Batavia	GMS	294
Bath	GMS	466
Bronx	GMS	1,627
Brooklyn	GMS	400
Saratoga Springs	GMS	50
Staten Island	GMS	1,500
Total		9,923

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans

Navy	300
Marine	30
Total	330
Civil and State	1,081
Combined total	1,411

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	28,223
Hospitalization in State	29,590
Hospitalized in other States	1,367
Veterans discharged outside State	1,381

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	6,498	3,924	2,934	2,701
Castle Point, VA hospital	1	29	41	31
Sunmount, VA hospital	35	80	35	37
Canandaigua VA hospital	11	11	22	18
Northport, VA hospital	15	154	41	41
Batavia, VA hospital	169	177	244	201
Bath, VA hospital	152	219	260	259
Bronx, VA hospital	2,282	992	897	869
Brooklyn, VA hospital	246	196	185	193
Saratoga Springs, VA hospital	43	45	90	77
Staten Island, VA hospital	234	323	606	548
Albany, regional office	243	209	------	------
Brooklyn, regional office	582	357	------	------
Buffalo, regional office	605	385	------	------
New York, regional office	1,519	635	------	------
Syracuse, regional office	361	112	------	------
Non-VA hospitals	------	------	513	427

Awaiting admission, Feb. 28, 1949

Batavia	151
Bath	191
Bronx	353
Brooklyn	108
Canandaigua	255
Castle Point	258
Northport	1,380
Saratoga Springs	16
Staten Island	312
Sunmount	234
Albany, regional office	
Brooklyn, regional office	
Buffalo, regional office	2
New York, N. Y., regional office	258
Syracuse, regional office	
Grand total	3,518

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (New York): New York

Leugth of waiting period:	
1 to 60 days	740
61 to 120 days	173
121 to 180 days	99
Over 180 days	208
Total awaiting	3,518

Medical personnel employed in existing VA hospitals—assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Castle Point	TB	22	4	65	0	20	0	613
Sunmount	TB	14	1	64	3	3	0	501
Canandaigua	NP	18	3	84	0	2	0	1,713
Northport	NP	63	7	67	0	40	0	2,702
Batavia	GMS	27	27	69	0	2	0	294
Bath	GMS	32	1	81	0	0	0	466
Bronx	GMS	211	97	365	0	8	1	1,627
Brooklyn-Manhattan	GMS	19	8	68	0	2	0	351
Saratoga Springs	GMS	3	0	9	0	1	0	50
Staten Island	GMS	101	4	242	0	6	0	1,365
Total		510	152	1,114	3	30	1	9,682

Staff required for hospital eliminated

New York:	
Number of doctors	54
Number of nurses	191
Number of dentists	7
Number of technicians	92

Staff required for hospital altered in size

Syracuse:	
Number of doctors	27
Number of nurses	97
Number of dentists	3
Number of technicians	46

Comments regarding staffing of hospitals

Eliminated—New York City, rehabilitation: Could be very readily staffed.
Altered—Syracuse, GM: Located in community where there are medical schools; no difficulty in staffing.

Comments

New York

New York has a veteran population, according to VA figures, of 2,047,000. Existing Veterans' Administration hospitals in New York draw a large number of patients from neighboring States that also have large veteran populations, and an admitted waiting list of 15,063 general medical and surgical cases; this, in addition to others not on the official waiting list.

The projects scheduled for elimination consist of the 1,000-bed general medical (chronic and rehabilitation) hospitals scheduled for the metropolitan New York area and the proposed hospital as Syracuse, which project is scheduled for alteration in size from 1,000-bed general medical and surgical to one of 500 beds. It is understood that provisions have been made for a certain number of beds for TB and NP cases in these general medical hospitals. There is a great shortage of all types of beds in the State, both Government and civilian. Testimony revealed that there are at the present time no State or municipal hospitals in the entire State that have beds available to veterans because they are jammed to capacity and beyond capacity. Beds at other Government hospitals are very limited. The Army advised the committee that it had no beds allocated for the veterans in the State of New York. The United States Public Health Service has only 30 beds allocated for veterans at its Buffalo hospital. The Navy has 300 beds allocated at its St. Albans Hospital. The schedule for closing of the Brooklyn Naval Hospital is going to place an additional burden on the St. Albans Naval Hospital which may result in a reduction of the 300 beds available there at present for veterans.

Also, the State of New York is scheduled to have returned to it the Halloran Hospital on Staten Island when construction has been completed on a 1,000-bed general medical and surgical hospital in New York City. This will eliminate the 1,500 presently authorized general medical and surgical beds in Staten Island and will result therefore in a net loss. Likewise, the present hospital at Brooklyn (Manhattan Beach) is also scheduled for return to the Federal Government (United States Public Health Service) beyond completion of the 1,000-bed general medical and surgical hospital at New York City. This will result in a further loss of the 400 general medical and surgical beds authorized here. Thus, with the completion of a 1,000-bed general hospital in New York City and with the return of this State and Federal hospital, it is contemplated that there will be a net loss of 1,900 beds for the New York City area. The restoration of the 1,000-bed chronic general medical and surgical hospital in New York now proposed for elimination would provide a type of hospital for the release of chronic cases now occupying general medical and surgical beds in the existing Veterans' Administration hospitals and in this way would take up only in part the net loss of 1,900 beds as mentioned. Actually the restoration of the 1,000-bed chronic general medical and surgical hospital in the New York area and the restoration of the 500 beds scheduled for reduction at Syracuse would still leave a net reduction of general medical and surgical beds with a capacity of 400 less than is now available. The needs are therefore quite apparent.

As regards staffing all evidence pointed to the fact that in the State of New York and especially in the two locations mentioned sufficient medical nursing and other services to man these hospitals would be readily available. Further, they report they could very readily staff the previously proposed 1,000-bed chronic general medical and surgical hospital in the New York area.

NORTH CAROLINA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	406,000
VA authorized standard beds	2,412

	State	National
Veterans per bed:		
Jan. 5, 1949	168	178
Original construction and expansion program	76	117
Revised construction and expansion program	104	129

Hospital eliminated

Location	Type	Beds
Charlotte	GM	500
Salisbury	NP	921

Estimated obligation incurred by Government, hospital eliminated

	Type	Amount
Charlotte	500 GM	$374,000
Salisbury	921 NP	1,030,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Oteen:		
Oteen Division	TB	996
Swannanoa Division	TB	1,000
Fayetteville	GMS	416
Total		2,412

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Army	50
Civil and State	1,813
Combined total	1,863

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	13,647
Hospitalization in State	8,407
Hospitalized in other States	5,240
Veterans discharged outside State	5,243

Applications for hospitalization, admissions and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	1,555	916	721	608
Oteen, VA hospital:				
Oteen Division	84	127	98	64
Swannanoa	451	207	269	261
Fayetteville, VA hospital	718	336	310	238
Winston-Salem, regional office	302	246		
Non-VA hospitals			44	45

Awaiting admission, Feb. 28, 1949

Fayetteville	63
Oteen	88
Swannanoa	169
Winston-Salem, regional office	
Grand total	320

Veterans awaiting admission to hospitals, February 28, 1949—Area (Richmond): North Carolina

Length of waiting period:	
1 to 60 days	592
61 to 120 days	243
121 to 180 days	188
Over 180 days	259
Total waiting	1,282

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Oteen	TB	42	2	171	0	7	0	1,500
Fayetteville	GMS	20	0	65	0	3	0	338
Total		62	2	236	0	10	0	1,838

Staff required for hospital eliminated

	Charlotte	Salisbury
Number of doctors	33	30
Number of nurses	105	59
Number of dentists	3	2
Number of technicians	51	48

Comments regarding staffing of hospitals—eliminated

Charlotte, GM: Can be very readily staffed.
Salisbury, NP: Difficult to staff properly.

Comments

North Carolina

It should be noted that North Carolina has only two veterans' hospitals within the State. One a TB hospital at Oteen and the other a general medical at Fayetteville. At Salisbury the proposed 921-bed NP hospital has been eliminated. The State has no NP hospital for veterans. The testimony reveals an emergency need for this type of hospital within the State. The State has made every effort to provide State mental facilities and the existing State facilities are not adequate to provide care for mental veteran patients. Veterans suffering from mental disorders are sent to Roanoke, Va., or Augusta, Ga. Salisbury is ideally located within the State near medical schools located at Winston-Salem which will make recruitment of medical staff easier and provided more expert treatment for patients. Veterans suffering from mental disorders and awaiting admission to hospitals have been placed in jail within the State because no beds have been available. The plans for the hospital were 80 percent complete at the time the order was announced to eliminate this hospital from the program. Salisbury is in the center of veteran population in the State, there being almost 500,000 veterans living within a radius of 120 miles. The city made plans to furnish water, sewerage, street facilities, and all additional services required for this hospital. A considerable amount of money was spent by the city on this project.

At Charleston a 500 general-medical bed hospital has been eliminated. The testimony indicates there would be no difficulty in staffing the general-medical hospital in this area. It is ideally located as there is good bus, railway, and air transportation to the city as well as many paved highways entering the city. They have waiting lists for admission to the hospitals in this State, and due

to the lack of available space in beds only emergency cases can be handled.

OHIO

Estimated veteran population, Jan. 5, 1949 983,000
VA authorized standard beds 4,380

	State	National
Veterans per bed:		
Jan. 5, 1949	224	177
Original construction and expansion program	111	119
Revised construction and expansion program	144	128

Hospital eliminated

Location ..... Toledo
Type ..... NP
Beds 1,000

Estimated obligation incurred by Government, hospital eliminated

Location ..... Toledo
Type ..... 1,000 NP
Amount $825,000

Projects altered in size from present plans

Location	Type	Beds	
		From—	To—
Cincinnati	GM	750	500
Cleveland	GM	1,000	500
Do	NP	1,250	1,000

Estimated obligations incurred by Government, hospitals altered

Cincinnati	500 GM	Proposed donation.
Cleveland	500 GM	$622,000.
Do	1,000 NP	$264,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Brecksville	TB	264
Chillicothe	NP	2,187
Cleveland	GMS	1,000
Dayton	GMS	1,316
Total		4,767

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Marine 120
Civil and State 309
Combined total 429

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized 18,291
Hospitalization in State 15,808
Hospitalized in other States 2,467
Veterans discharged outside State 2,474

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	2,623	1,911	1,544	1,393
Brecksville, VA hospital	14	38	35	33
Chillicothe, VA hospital	62	50	51	47
Cleveland, VA hospital	698	998	846	708
Dayton, VA hospital	614	520	459	477
Cincinnati, regional office	299	170	-----	-----
Cleveland, regional office	936	135	-----	-----
Non-Va hospitals	-----	-----	153	128

Awaiting admission, Feb. 28, 1949

Brecksville 81
Chillicothe 37
Cleveland 262
Dayton 341
Cincinnati, regional office ..... -----
Cleveland, regional office ..... -----
Grand total 821

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Columbus): Ohio

Length of waiting period:
1 to 60 days 1,080
61 to 120 days 338
121 to 180 days 86
Over 180 days 101
Total awaiting 1,605

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Brecksville	TB	9	0	33	0	1	0	264
Chillicothe	NP	12	2	62	0	3	0	2,187
Cleveland	GMS	55	2	201	0	5	0	1,000
Dayton	GMS	65	52	188	3	5	0	1,004
Total		181	56	484	3	14	0	4,455

Staff required for hospital eliminated

Toledo:
Number of doctors 33
Number of nurses 81
Number of dentists 3
Number of technicians 56

Additional staff required for hospital, altered in size

	Cincinnati	Cleveland (GM)	Cleveland (NP)
Number of doctors	15	27	8
Number of nurses	50	97	19
Number of dentists	1	3	1
Number of technicians	20	46	11

Comments regarding staffing of hospitals

Eliminated—Toledo, NP: Difficult to staff properly.
Altered—Cincinnati (GM), Cleveland (GM), and Cleveland (NP): These three hospitals are located in communities where there are medical schools—no difficulty in staffing.

Comments

Ohio

Testimony shows that Ohio has an extremely large veteran population and only has 4,380 authorized standard beds for veterans. Under the program, Toledo would lose a proposed 1,000-bed NP hospital. The State has one large VA NP hospital at Chillicothe which is overcrowded and has waiting lists. It is pointed out that in order to be admitted to this hospital it is necessary for prospective patients to be determined insane, in other words to be probated before they can be admitted. There are over 1,000 service-connected veterans in the State mental institutions and the need for this additional NP hospital has clearly been established. Toledo is 30 miles from any available veterans' facility and is one of the outstanding examples of a medical research center not connected with a medical college. There are approximately 250,000 veterans in this area to be served by this hospital. The specialists and consultants and research facilities with laboratories are available in Toledo on a pro rata basis to a larger degree than they are in places where there is a medical college. The plans for this hospital at Toledo were 97 percent complete as of the time the cut-back order was issued. The testimony indicates a great need for restoration of the beds which would be taken away from the Cincinnati and Cleveland hospitals. Cincinnati would lose 750 beds and Cleveland would lost 250 beds. The present Veterans' Administration hospitals in Ohio have no vacant beds and have an accumulated waiting list and even emergency cases have more difficulty in being admitted. There is no difficulty in staffing the hospitals in the Cleveland and Cincinnati areas. The northern half of the State of Ohio shows a ratio of one bed to each 236 veterans. It should be pointed out that geographically, Toledo is ideally situated to maintain a veterans' hospital. It has excellent transportation and is near a State mental facility. It has a greater proportionate number of doctors per person for consultation and staffing. Veterans in the State of Ohio have long days of waiting for admission to hospitals. It should be pointed out that Cincinnati donated the ground for the proposed hospital and the Government has spent a considerable amount of money in this area.

OKLAHOMA

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949 297,000
VA authorized standard beds 606

	State	National
Veterans per bed:		
Jan. 5, 1949	490	178
Original construction and expansion program	126	117
Revised construction and expansion program	269	129

Hospitals eliminated

Location ..... Norman.
Type ..... NP.
Beds ..... 750.

Estimated obligation incurred by Government, hospital eliminated

Location ..... Norman.
Type ..... 750 NP.
Amount ..... $606,000.

Projects altered in size from present plans

Location ..... Oklahoma City.
Type ..... GM.
From ..... 1,000 to 500.

Estimated obligation incurred by Government, hospital altered

Location ..... Oklahoma City.
Type ..... 500 GM.
Amount ..... $97,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Muskogee	GMS	386
Oklahoma City	GMS	220
Total		606

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Civil and State 25

Veterans hospitalized in VA and non-VA hospitals, fiscal year

Total hospitalized 9,326
Hospitalization in State 6,779
Hospitalized in other States 2,547
Veterans discharged outside State 2,549

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	1,040	659	582	535
Muskogee, VA hospital	342	401	316	269
Oklahoma City, VA hospital	213	226	231	243
Muskogee, regional office	211	8	-----	-----
Oklahoma City, regional office	274	24	-----	-----
Non-VA hospitals	-----	-----	35	23

Awaiting admission, Feb. 28, 1949

Muskogee 103
Oklahoma City 35
Muskogee, regional office 14
Oklahoma City, regional office 2
Grand total 154

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (St. Louis): Oklahoma

Length of waiting period:	
1 to 60 days	385
61 to 120 days	45
121 to 180 days	8
Over 180 days	5
Total awaiting	443

Medical personnel employed in existing VA hospitals—Assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Muskogee	GMS	18	11	72	2	3	0	343
Oklahoma City	GMS	20	0	46	2	1	0	220
Total		38	11	118	4	4	0	563

Staff required for hospital eliminated

Norman:	
Number of doctors	25
Number of nurses	54
Number of dentists	2
Number of technicians	45

Additional staff required for hospital altered in size

Oklahoma City:	
Number of doctors	27
Number of nurses	97
Number of dentists	3
Number of technicians	46

Comments regarding staffing of hospitals

Altered—Oklahoma City, GM: Located in community where there are medical schools and no difficulty in staffing.

Eliminated—Norman, NP: Moderately difficult to staff.

Comments

Oklahoma

The Veterans' Administration's estimate of veteran population in this State is stated to be 287,000, according to testimony given by members of the congressional delegation and other witnesses. It was stated that Oklahoma has between 300,000 and 350,000 veterans.

The recommended alteration and the hospital construction program contemplates the alteration in size from a 1,000 general medical and surgical bed to a 500-bed such hospital at Oklahoma City and the complete elimination of the 750 neuropsychiatric hospital at Norman. Both of these hospitals are located either adjacent to or near medical schools. They are at a distance of 18 miles apart. Another factor to consider is that the University of Oklahoma has a student population of 12,000 with a large number of these as veterans. There are only two Veterans' Administration hospitals in existence at the present time in the State. Both are in the general medical and surgical category. These are the 386-bed hospital at Muskogee and a 220-bed unit at Oklahoma City. The latter is a domiciliary hospital and occupies a former Army hospital (Will Rogers) and is stated to be in very bad physical condition. The cost of this hospital is very expensive to operate and it is expected that it will not be able to be continued much longer. Taking the total of these 606 beds, it is found as of January 5, 1949, Oklahoma had only 1 bed per 490 veterans as compared to a national average of 1 bed per 178 veterans. If the revised construction and expansion program as contemplated is not altered by the original construction as planned is restored, Oklahoma will have only 1 hospital bed per 269 veterans as compared to a national average of 129. This would make it one of the lowest bed ratio per veteran in the country.

It was brought out that as a result of the revised construction program of the Veterans' Administration that Oklahoma lost 75 percent of its authorized hospital construction as compared to a national average hospital elimination of only 11 percent. Likewise, it is recorded that the Army, Navy, and Public Health Service has no hospital facilities available in Oklahoma for veterans. Oklahoma has no neuropsychiatric hospital in the State. The Veterans' Administration maintains only 39 emergency beds for NP cases with 11 at the Will Rogers Hospital at Oklahoma City and 28 at the hospital at Muskogee. These handle only emergency cases in the immediate territory until such time as they can be transferred to a Veterans' Administration mental hospital outside of the State. The State's largest neuropsychiatric hospital is also located at Norman. This hospital is said to be overcrowded. The need for neuropsychiatric care in Oklahoma is very great. It was brought out that a recent review of 107,000 files showed that about 6 percent of such veterans needed and applied for medical and hospital treatment. The Oklahoma regional office of the Veterans' Administration reveal that there are about 6,800 veterans with service-connected mental disabilities and that approximately 35 percent of some 90,000 cases on file show nonservice-connected mental disabilities. As a result practically the only facilities available for veterans with mental disabilities exist outside of the State. Testimony was introduced to show a considerable number of veterans with neurosychiatric disabilities in Oklahoma being placed in jail for safekeeping until they could be provided with necessary hospital facilities. The nearest Veterans' Administration neuropsychiatric hospitals serving Oklahoma are the ones at Waco, Tex.; North Little Rock, Ark., and Topeka, Kans. These are, respectively, 375, 330, and 280 miles from Oklahoma. According to all veterans who will accede to hospitalization outside of the State, or whose relative who will allow such treatment outside of the State, have to receive such care at considerable distance. Considerable difficulty is involved in transferring such ill men even if beds are available. However, even though the three hospitals above-mentioned are intended to serve Oklahoma, it was found that immediately upon learning of the elimination of the proposed hospital at Norman, contact was made with the registrars with the hospital in question, with replies from such Veterans' Administration hospitals as follows:

"At Waco it was reported that the hospital was full and only emergency cases were taken. It was necessary for this hospital to send their overflow load to the Public Health Hospital at Fort Worth, Tex. At North Little Rock, Ark., the registrar stated they could not accept any cases except only a few emergency cases. They had a waiting list of 58. At Topeka, Kans., the registrar reported a waiting list of 150 and again information was obtained they could only take emergency cases. '* * * and furthermore we cannot take those violent types of cases which are placed in locked wards, none whatsoever. If you have a case that requires confinement we cannot accept now.'"

This illustrates the extreme and emergent need of adequate veterans' beds for neuropsychiatric cases. An attempt was then made to obtain beds at the State and community level. The State hospital had a so-called veterans' ward with a capacity of 35. They were caring for 235 on this ward with an overflow of 35. The total bed capacity for mental patients in the State of Oklahoma is 5,989. It was found that the State hospitals were carrying 6,663 patients, and in view of this overcrowding beds were not readily available even at the State level for veterans suffering with a mental illness and requiring hospitalization. The only alternative was to confine the more urgent cases of those who could not be controlled in local jails.

A letter received from the superintendent of the Central State Hospital at Oklahoma, where this medical superintendent had served for 50 years and felt himself familiar with the needs of Oklahoma veterans for neuropsychiatric hospitalization and treatment, strongly urges the proposed expansion program for construction of the 750-bed neuropsychiatric hospital at Norman. He brings out the urgency of the present need and the fact that this need will increase until the peak year is reached between 1965 and 1970. This physician recites the number of trained neuropsychiatric personnel of these institutions, a number of which are on the faculty of the school of medicine of the University of Oklahoma and conduct courses in psychiatry and neurology at that institution for medical students. Currently, an arrangement is being worked out with the university medical school for further training of their staff and he assures the committee "that our staff of psychiatrists, neurologists, psychologists, and technicians will be available for consultation purposes." He brings out that the hospital is filled to capacity at this time and that, "We are unable to take additional veteran patients in this unit and I know there are a great number of veterans in this area in need of mental treatment who are being denied hospitalization because of overcrowded conditions in all the neuropsychiatric hospitals in the southwestern area of the United States."

Attention was also invited to the fact that at the University of Oklahoma at Norman they have in their graduate school as one of its main departments the school of psychiatry and a member of the board of regents in Oklahoma in testifying before the committee felt that the faculty of this school could be used advantageously in the proposed neuropsychiatric hospital at Norman and stated:

"The university pledges its entire support and cooperation to staff such a hospital. Also the university school of medicine is increasing the size and scope of its teaching in psychiatry, all to the end that it will be better prepared to staff these hospitals when completed."

Other testimony was also introduced to show the availability of medical, nursing, and other professional services of Norman, as well as in Oklahoma City. The professor of surgery at the University of Oklahoma School of Medicine, accompanied by the executive secretary of the Oklahoma State Medical Society, showed that in a breakdown of medical psychiatrists there was a total of 19 psychiatrists in the area involved and of these 10 were in the active practice of psychiatry and, "all have indicated a willingness to serve the Veterans' Administration in an attending or consulting capacity. Eight of these physicians are members of their respective specialty board." This witness also brought out an improvement in the nursing situation with more nurses graduating and being available and the same holding true for laboratory and X-ray technicians. The Veterans' Administration has indicated that it would be only "moderately difficult" to staff this NP hospital.

As regards the reduction in size of the general medical and surgical hospital at Oklahoma City from 1,000 to 500, the testimony produced there showed a definite need for these beds. Furthermore, the proposed hospital is located adjacent to the State University Medical School, whose staffing facilities will be readily available. They are already cooperating with the Veterans' Administration in the operation of the domiciliary hospital (Will Rogers) of 220 beds

at Oklahoma City. There is no question as to the sufficiency and availability of medical, nursing, and other staffing. The Veterans' Administration has reported regarding this hospital that it is located in a community where there is a medical school and no difficulty is expected in staffing. Further, as regards the hospital eliminated at Norman, it was brought out that approximately $3,000,000 has already been expended and it should not be wasted but rather utilized to construct the originally planned facility. This expense consists of purchasing of the site valued at approximately $2,000,000 and and additional $700,000 already spent by the Veterans' Administration in the preparation of plans, specifications, and other technical data. At the time of the announced elimination of this hospital in general the plans were reported as being 100 percent completed by the Veterans' Administration and they were ready to award the contract in February, which is now proposed for elimination. Testimony brought out showed that this proposed hospital was to serve a large geographical area.

OREGON

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	192,000
VA authorized standard beds	989

	State	National
Veterans per bed:		
Jan. 5, 1949	194	178
Original construction and expansion program	143	117
Revised construction and expansion program	168	129

Hospital eliminated

Location	Klamath Falls.
Type	GM.
Beds	200.

Estimated obligation incurred by Government, hospital eliminated

Location	Klamath Falls.
Type	200 GM.
Amount	$297,000.

Existing VA hospitals in State

Hospital	Type	Authorized beds
Roseburg	NP	670
Portland	GMS	510
Total		1,180

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans

OTHER GOVERNMENT

Civil and State	117

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	6,635
Hospitalization in State	4,726.
Hospitalized in other States	1,909
Veterans discharged outside State	1,914

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	1,171	573	477	410
Roseburg, VA hospital	30	35	33	28
Portland, VA hospital	794	513	420	367
Portland, regional office	347	25		
Non-VA hospitals			24	15

Awaiting admission, Feb. 28, 1949

Portland	45
Roseburg	
Portland, regional office	
Grand total	45

Veterans awaiting admission to hospitals, Feb. 28, 1949

AREA (SEATTLE): OREGON

Length of waiting period:	
1 to 60 days	289
61 to 120 days	131
121 to 180 days	48
Over 180 days	55
Total awaiting	523

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Roseburg	NP	9	0	30	0	1	0	670
Portland	GMS	43	0	104	0	2	0	502
Total		52	0	134	0	3	0	1,172

Staff required for hospital eliminated

Klamath Falls:	
Number of doctors	16
Number of nurses	48
Number of dentists	1
Number of technicians	18

Comments regarding staffing of hospitals

Klamath Falls, GM: Moderately difficult to staff.

Comments

Oregon

The Veterans' Administration estimates a veteran population in this State of 192,000. The only new Veterans' Administration hospital construction planned for this State was the 200-bed general medical and surgical hospital at Klamath Falls. This is in southern Oregon and northern California, a vast area approxmiately 400 miles to either Portland or San Francisco, the existing hospitals now serving this area. It was brought out that this district embraces an area about the same area of eight States and the District of Columbia. These are eight States on the eastern seaboard, namely, the States of Vermont, New Hampshire, Massachusetts, Rhode Island, Connecticut, New Jersey, Delaware, Maryland, and in addition the District of Columbia. Due to the great distance required in traveling to the nearest veterans' hospitals it has been reported that a number of veterans have died en route to such hospital. It is stated that in this area there are at least 50,000 veterans involved. This area is reported to have a much larger ratio of veterans to the population than in most places of the country due to two fatcors:

(1) The Government has made the homesteading of public lands in this domain subject to veterans' preference and

(2) Klamath Falls contains a colony of ex-marines who have settled there because of climatic considerations in there after care of tropical diseases incurred in the service. Other factors in producing an above-average portion of veterans is the fact that there were six military installations in this area during the war and many veterans migrated there after the war either because of marriages contracted with residents of that area or climatic and other considerations.

To illustrate the high percentage of veterans, it is reported in one community of 900 population—that of Twolake, Calif.—it is reported that veterans make up 91 percent of the additional miltiary population. It was brought out also that there are more exmarines in Klamath Falls than in Portland, Oreg., a city 10 to 15 times the size of Klamath Falls. The existing hospital for general medical and surgical cases at Portland, Oreg., and San Francisco, Calif., are 718 miles apart with small veterans' hospitals at Boise, Idaho, and Reno, Nev., serving only to limit the boundary of this area. The Army, Navy, and Public Health Service have no hospital facilities available in Oregon for veterans at all. It was revealed that despite the increase in the population of veterans in that area of 40 percent in 1940, there would not be a gain in a single part in that area for the care of veterans.

It was reported that the Government had already spent $150,000 on the proposed site and other expenses. Also that the city of Klamath Falls and the county of Klamath Falls have spent an additional $12,000 in the development of the site for the hospital when it was proposed to be built. The construction of an access road by the city and county was agreed upon as one of the conditions of constructing this hospital. Also that the county court had obligated itself to provide perpetual maintenance of this road leading to the approved hospital site.

As regards staffing, it was brought out that there was a fine group of doctors who are now practicing in the city, including specialists in many diseases. A letter from the Klamath County Medical Society was received showing that "the officers of the society have continued a policy of its membership to determine their reaction (to the proposed hospital)." The policy discloses that the members of this society are unanimously in favor of the proposal and they are also of the opinion that Klamath Falls is the logical location for such a hospital from a medical point of view. The members of the society are particularly impressed with the results achieved at the Klamath Falls marine barracks and the treatment and rehabilitation of servicemen suffering from tropical diseases as well as to the medical and surgical conditions. They believe that no small part of this has been due to the favorable local physical conditions, such as the absence of extremes of temperature and humidity; the very high proportion of cloudless days throughout the year; and the invigorating effect of the higher altitude. The Veterans' Administration comment in regard to the staffing of the hospital shows that it considers it only "moderately difficult" to staff this proposed hospital.

TENNESSEE

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	361,000
VA authorized standard beds	4,662

	State	National
Veterans per bed:		
Jan. 5, 1949	77	178
Original construction and expansion program	59	117
Revised construction and expansion program	77	129

Hospitals eliminated

Location	Type	Beds
Chattanooga	GM	500
Memphis	NP	1,000

Estimated obligation incurred by Government, hospitals eliminated

Location	Type	Amount
Chattanooga	500 GM	$441,000
Memphis	1,000 NP	1,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Memphis	TB	300
Murfreeshoro	NP	1,307
Memphis	GMS	1,750
Mountain Home	GMS	605
Nashville	GMS	700
Total		4,662

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans—Other Government

Civil and State	18

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	13,903
Hospitalization in State	12,795
Hospitalized in other States	1,108
Veterans discharged outside State	1,108

Applications for hospitalization, admissions, and discharges, January 1949

VA Installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	3,329	2,113	2,041	1,945
Memphis, VA hospital	78	65	46	81
Murfreesboro, VA hospital	70	62	63	66
Mountain Home, VA hospital	446	369	324	282
Nashville, VA hospital	896	675	579	579
Memphis (Kennedy) General	1,513	936	1,016	978
Nashville, regional office	326	6	-------	-------
Non-VA hospitals	------	------	8	9

Awaiting admission, Feb. 28, 1949

Memphis	64
Memphis (Kennedy)	31
Mountain Home	112
Murfreesboro	23
Nashville	179
Nashville, regional office	-------
Grand total	409

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Atlanta): Tennessee

Length of waiting period:	
1 to 60 days	714
61 to 120 days	168
121 to 180 days	61
Over 180 days	65
Total awaiting	1,008

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Memphis	TB	11	0	44	1	2	0	300
Murfreeshoro	NP	11	0	42	0	3	0	1,043
Memphis (Kennedy)	GMS	103	4	243	0	7	0	1,446
Mountain Home	GMS	22	1	88	0	4	0	523
Nashville	GMS	42	33	112	2	3	0	600
Total		189	38	529	3	19	0	3,912

Staff required for hospital eliminated

	Chattanooga	Memphis
Number of doctors	33	33
Number of nurses	105	81
Number of dentists	3	3
Number of technicians	51	56

Comments regarding staffing of hospitals—

Chattanooga, GM: Difficult to staff properly.
Memphis, NP: Difficult to staff properly.

Comments

Tennessee

The Veterans' Administration estimated the veteran population of this State to be 361,000. Witnesses appearing called attention to the large number of soldiers who trained in Tennessee due to the maneuvers held in that State and who since have come back and married in Tennessee and are now residing there. The actual veteran population is given as at least 395,000. The needs for veterans' hospital beds for cases of all types continues critical in the State. It was reported that daily veterans are being sent to veterans' hospitals by their local physicians as emergency cases only to be returned home and placed on the waiting list due to shortage of beds.

Tennessee at the present time has five veterans' hospitals. It was brought out that because of the location of three of them that althuogh the beds are charged to Tennessee they are used freely by veterans from neighboring States. Veterans' Administration statistics during the fiscal year 1948 showed that the hospitals in Tennessee discharged 23,315 veterans and of that number 10,520 were from other States—Alabama, Arkansas, Georgia, Florida, Kentucky, Mississippi, Missouri, North Carolina, South Carolina, and Virginia.

There are no Army, Navy, or Public Health Service beds available for Tennessee. In the revised construction program it is contemplated to eliminate a 500-bed general medical and surgical hospital scheduled to be built at Chattanooga and a 1,000 neuropsychiatric hospital scheduled for Memphis.

As regards the neuropsychiatric load it was brought out that an acute need for such additional beds exists. State institutions are already overcrowded with an ever-increasing demand from civilians needing treatment in Memphis. The University of Tennessee Medical School is located in Memphis and it was felt that because of this there would be no difficulty in staffing the proposed hospital. The Veterans' Administration, however, reports that it will be difficut to staff this hospital properly.

Chattanooga is centrally located between Nashville and Atlanta and if the proposed hospital was built there it would reduce the coverage maintained by the Thayer and Lawson hospitals now serving this area. The nearest veterans' hospital to Chattanooga is at Mountain City Home which was originally constructed as an old soldiers' home. This is 125 miles from Chattanooga. The next nearest veterans' hospital is that of Murfreesboro which is 146 miles from Chattanooga. This, however, is a neuropsychiatric hospital. The hospital at Atlanta, Ga., is 125 miles away.

At the time of the announcement of the revised construction program it was reported that the plans and specifications of the Chattanooga hospital had been completed and were ready for the contractor to prepare bids.

As regards staffing witnesses testified that the fact of recruiting nursing and attendant personnel at Chattanooga would be easy. Also that the Chattanooga hospitals are fully staffed with a surplus of such professional talent. Further that, "Chattanooga is blessed with an excellent complement of specialists in the clinical and surgical field who would be available on a consulting basis." The Veterans' Administration, however, reports that it would be difficult to staff this hospital properly.

In the over-all staffing of both of these hospitals the testimony invited attention that Tennessee, with Vanderbilt University Medical School in Nashville and the University of Tennessee Medical School at Memphis graduating 132 doctors each semester, and "with the proper effort put forth by the medical service to obtain the services of these doctors, and by using part-time consultants and residents, the 1,500 additional beds in Tennessee could be staffed without any difficulty by the time the hospitals were built."

TEXAS

Veteran population and bed ratio

Estimated veteran population, Jan. 5, 1949	896,000
Va authorized standard beds	5,063

	State	National
Veterans per bed:		
Jan. 5, 1949	177	178
Original construction and expansion program	118	117
Revised construction and expansion program	127	129

Hospitals eliminated

Location	Type	Beds
El Paso	NP	500
Houston	NP	1,000

[1] Houston—canceled, with beds replaced by VA taking over Houston United States Naval Hospital.

Estimated obligation incurred by Government, hospital eliminated

Location	Type	Amount
El Paso	500 NP	$456,000
Houston	1,000 NP	1,604,000

Existing VA hospitals in State

Hospital	Type	Authorized beds
Legion	TB	695
Waco	NP	2,214
Amarillo	GMS	187
Dallas	GMS	366
Houston	GMS	500
McKinney	GMS	1,000
Temple	GMS	1,000
Total		5,962

Contracts with Army, Navy, Public Health Service, and other Federal hospital beds for use of veterans

OTHER GOVERNMENT

Army	550
Navy	420
Marine	30
Fort Worth	450
Total	1,450
Civil and State	94
Combined total	1,544

Veterans hospitalized in VA and non-VA hospitals, fiscal year 1948

Total hospitalized	33,336
Hospitalization in State	31,177
Hospitalized in other States	2,159
Veterans discharged outside State	2,162

Applications for hospitalization, admissions, and discharges, January 1949

VA installation	New	Declared eligible	Net hospital admissions	Net hospital discharges
Total	4,103	3,222	2,644	2,386
Legion, VA hospital	57	30	46	40
Waco, VA hospital	226	105	71	121
Amarillo, VA hospital	339	166	155	134
Dallas, VA hospital	470	375	323	322
McKinney, VA hospital	390	438	384	363
Temple, VA hospital	181	349	257	240
Dallas, regional office	553	391	------	------
Houston, regional office	778	482	------	------
Lubbock, regional office	184	156	------	------
San Antonio, regional office	925	730	------	------
Non-VA hospitals	------	------	1,408	1,166

Awaiting admission, Feb. 28, 1949

Amarillo	317
Dallas	149
Legion	31
McKinney	264
Temple	489
Waco	16
Dallas, regional office	-----
Houston, regional office	-----
Lubbock, regional office	-----
San Antonio, regional office	-----
Waco, regional office	-----
Grand total	1,266

Veterans awaiting admission to hospitals, Feb. 28, 1949—Area (Dallas): Texas

Length of waiting period:	
1 to 60 days	1,084
61 to 120 days	449
121 to 180 days	221
Over 180 days	536
Total awaiting	2,290

Medical personnel employed in existing VA hospitals, assigned as of Jan. 31, 1949

Hospital	Type of hospital	Number of doctors		Number of nurses		Number of dentists		Number of beds (operating)
		Full time	Part time	Full time	Part time	Full time	Part time	
Legion	TB	21	0	59	0	2	0	380
Waco	NP	22	4	89	0	4	0	1,996
Amarillo	GMS	10	4	33	0	2	0	187
Dallas	GMS	43	38	74	0	2	0	354
McKinney	GMS	68	50	105	0	4	0	622
Temple	GMS	38	0	123	0	2	0	745
Total		202	96	483	0	16	0	4,284

Staff required for hospitals eliminated

	El Paso	Houston
Number of doctors	19	33
Number of nurses	52	81
Number of dentists	2	3
Number of technicians	37	56

Comments regarding staffing of hospitals

El Paso, NP: Moderately difficult to staff.
Houston, NP: Could be readily staffed.

Comments

Texas

In this State the revised construction and expansion program proposed the elimination of only NP beds. This involves the complete elimination of the proposed 500-bed neuropsychiatric hospital at El Paso and the elimination of a new 1,000-bed neuropsychiatric hospital planned for Houston with a cancellation of this new construction at Houston partially replaced by the Veterans' Administration taking over the Houston United States Naval Hospital. The witnesses appearing at the hearings indicated that there is proposed to activate 500 general medical and surgical beds at this former naval hospital at Houston and it was urged that action be taken to restore the additional 500 beds eliminated at Houston.

Witnesses appearing stressed that Texas is by far the largest State in the Union in size. It has a very large population and distances to be covered are very great. The nearest veterans' NP hospital to the El Paso area is that of Waco, more than 600 miles to the east. If the proposed hospital at El Paso is erected, it would serve an area of a 600-mile radius that is now without NP facilities.

Although the Veterans' Administration gives the estimated veteran population of Texas as of January 5, 1949, as 896,000, it was brought out that on the basis of selective-service figures and other factors such as a large number of veterans who trained in Texas during the war, eventually migrating and, "we have conservatively a million or more veterans in Texas today."

The neuropsychiatric situation has been very acute in Texas for a very long period of time. Testimony was introduced that many veterans needing emergency neuropsychiatric hospital care are being kept in local jails for their own safety and that of the community. Objection was raised to the fact that, "it is pretty rough on the family, especially the mothers who try to visit these boys, and they go up and see them behind bars amongst hardened criminals, and they are not allowed to visit except on every other Saturday, which is not conducive to better morale for the boy. In fact, we are so terribly ashamed of it that we even hate to see anybody go up there except a few of the veterans." A statement from one of the county judges of El Paso was introduced and the record which states:

"When a veteran becomes noisy, unmanageable, or violent, either in the home or in public places, he is placed in the county jail, where he is exposed to the ridicule and taunts of marijuana fiends, drunkards, drug addicts, and so forth. This experience aggravates his condition, and sets him back from 6 to 8 months, and jeopardizes his chances for recovery."

At the present time the Veterans' Administration has a contract authority with the United States Public Health Service hospital at Fort Worth, Tex. It is brought out that this institution was built as a narcotic farm and objection was raised to hospitalizing veterans suffering from mental disability in such an environment. The erection of the hospital at El Paso would serve to eliminate this situation.

The only other facilities available other than the Waco Veterans' Hospital and the United States Public Health Service Hospital at Fort Worth are located at tremendous distances. These are as follows with mileage given from El Paso—Fort Lyons, Colo., over 600 miles; Gulfport, Miss., 1,200 miles and a few cases at Los Angeles, Calif., which is 800 miles. It was brought out that even in these hospitals it is difficult to have a case admitted and as a result veterans have to remain in county jails over periods of some 6 to 10 weeks.

Testimony was introduced to show that El Paso County has already incurred costs of $379,725 in preparation for the construction of a hospital at El Paso. The money was expended on the basis of assurance to the community that the proposed hospital would be located there.

As regards staffing the proposed hospitals at El Paso and Houston the Veterans' Administration has commented that El Paso would be "moderately difficult" to staff and that Houston insofar as neuropsychiatric beds are concerned, "could be readily staffed." Introduced into the record was a telegram from the president of the El Paso Medical Society endorsing the NP hospital at El Paso on the basis of need and stating that approximately 40 doctors of medicine would be available for fee basis work.

EXHIBIT A.—*Table showing the percent of completion and design of hospitals on Dec. 31, 1948, effected by the cut-back program*

CANCELED OR ELIMINATED

	Type	Percent
Americus, Ga	TB	100
Charlotte, N. C	GM	75
Chattanooga	GM	100
Columbia, S. C	GM	0
Decatur, Ill	GM	98
Detroit, Mich	TB	100
Duluth, Minn	GM	98
El Paso, Tex	NP	100
Gainesville, Fla	NP	99
Grand Rapids, Mich	GM	100
Greenville, S. C	GM	100
Harrisburg, Pa	GM	95
Houston, Tex	NP	100
Klamath Falls, Oreg	GM	58
Memphis, Tenn	NP	0
Mound Bayou, Miss	GM	100
New York, N. Y	GM Chr	0
Norman, Okla	NP	100
Salisbury, N. C	NP	82
San Diego, Calif	GM	100
Tallahassee, Fla	GM	100
Thomasville, Ga	GM	0
Toledo, Ohio	NP	97
Tupelo, Miss	GM	100

REDUCED

Atlanta, Ga	GM	0
Chicago, Ill	GM	11
Cincinnati, Ohio	GM	65
Cleveland, Ohio	GM	10
Do	NP	0
Kansas City, Mo	GM, TB	86
Louisville, Ky	GM	90
Oklahoma City, Okla	GM	33
Philadelphia, Pa	GM	73
Pittsburgh, Pa	GM	100
Do	NP	78
St. Louis, Mo	GM	88
Syracuse, N. Y	GM	35
Washington, D. C	GM	15

Mr. DONNELL. Mr. President, I ask unanimous consent to read a very few sentences to the Senator from Florida and ask him if the statement is not, in his judgment, justified by the testimony which was given before the committee. It is from the summary of the subcommittee filed with the Committee on Labor and Public Welfare. From page 46 I read as follows:

At the present time 2,500 veterans in the State of Missouri are hospitalized outside of the State, with the number broken down as 1,300 mental patients and 1,200 tuberculosis and general medical and surgical cases. This would seem to justify the proposed conversion of Jefferson Barracks to a neuropsychiatric hospital but with a loss of general medical and surgical beds in St. Louis, together with the elimination of all the proposed general medical and surgical beds at Kansas City. The emergent general medical and surgical situation which has existed in Missouri, since prior to 1941, is expected to become more urgent and critical. There appears to be, therefore, no question as to the emergency needs for the proposed beds, irrespective of their type or classification.

Mr. PEPPER. Mr. President, that statement is justified by the record.

I notice my colleague on the floor at this time. In our State there was a 1,000-bed neuropsychiatric hospital which was cut out by Executive order. There is not such a hospital now in the entire State of Florida. The State service officer testified at the hearing that on a given day there were 35 veterans in

jail, who were mental cases, but there was no NP veterans' hospital in which they could be hospitalized.

I want Senators to understand the legal effect of what we are doing. We are providing $237,000,000 in contract authorizations which will allow the building of hospitals. If Senators are interested in the building of these hospitals they are in position to indicate their interest.

The VICE PRESIDENT. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. O'MAHONEY. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. O'MAHONEY, Mr. RUSSELL, Mr. MCKELLAR, Mr. THOMAS of Oklahoma, Mr. FERGUSON, Mr. BRIDGES, and Mr. CORDON conferees on the part of the Senate.

FOREIGN AID APPROPRIATIONS

Mr. MCKELLAR. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 4830, making appropriations for foreign aid for the fiscal year 1950.

Mr. WHERRY. I have no objection.

There being no objection, the Senate proceeded to consider the bill (H. R. 4830), making appropriations for foreign aid for the fiscal year 1950, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

EXECUTIVE SESSION

Mr. MYERS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

Mr. MYERS. Mr. President, I ask that the Senate pass over page 1 of the Executive Calendar and the first nomination on page 2 of the calendar.

The VICE PRESIDENT. Without objection, those nominations will be passed over, and the clerk will read the next nomination on the calendar.

DEPARTMENT OF AGRICULTURE

The Chief Clerk read the nomination of Knox T. Hutchinson, of Tennessee, to be Assistant Secretary of Agriculture.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES MARSHALS

The Chief Clerk read the nomination of Jones Floyd to be United States marshal for the western district of Arkansas.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of John S. Denise, Sr., to be United States marshal for the western district of Washington.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and without objection, the President will be immediately notified of the confirmation this day made.

RECESS

Mr. MYERS. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 55 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, August 3, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 1 (legislative day of June 2), 1949:

SUPREME COURT OF THE UNITED STATES

ASSOCIATE JUSTICE

Tom C. Clark, of Texas, to be an Associate Justice of the Supreme Court of the United States, vice Frank Murphy, deceased.

DEPARTMENT OF JUSTICE

ATTORNEY GENERAL OF THE UNITED STATES

J. Howard McGrath, of Rhode Island, to be Attorney General of the United States, vice Tom C. Clark.

IN THE NAVY

The following-named officer for permanent appointment in the line of the Navy in the grade hereinafter stated:

ENSIGN

Marder, Martin D.

The following-named officers for permanent appointment in the Supply Corps of the Navy in grades hereinafter stated:

LIEUTENANT (JUNIOR GRADE)

Bandish, Bernard J.

LIEUTENANT

Foley, John A.

The following-named officer for temporary appointment in the Supply Corps of the Navy in the grade hereinafter stated:

LIEUTENANT COMMANDER

Foley, John A.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 2 (legislative day of June 2), 1949:

DEPARTMENT OF AGRICULTURE

Knox T. Hutchinson to be Assistant Secretary of Agriculture.

UNITED STATES MARSHALS

Jones Floyd to be United States marshal for the western district of Arkansas.

John S. Denise, Sr., to be United States marshal for the western district of Washington.

81ST CONGRESS
1ST SESSION

H. R. 4177

IN THE HOUSE OF REPRESENTATIVES

AUGUST 2, 1949

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, namely:

★

TITLE I

EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of $50,000 per annum, as authorized by the Act of January 19, 1949 (Public Law 2), $150,000.

THE WHITE HOUSE OFFICE

Salaries and expenses: For expenses necessary for The White House Office, including compensation of the Secretary to the President and the six administrative assistants to the President as authorized by law, and the two additional secretaries to the President at $10,330 each, and other personal services in the District of Columbia; printing and binding; not to exceed $127,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at such per diem rates for individuals as the President may specify, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service; and travel and official entertainment expenses of the President, to be accounted for solely on his certificate: $1,375,140.

EMERGENCY FUND FOR THE PRESIDENT

To provide for emergencies affecting the national interest or security, without regard to such provisions of law

regulating the expenditure of Government funds as the President may specify, and for supplementing the efforts and available resources of State and local governments or other agencies in alleviating hardship or suffering caused by flood, fire, hurricane, earthquake, or other catastrophe in any part of the United States, $1,000,000: *Provided*, That assistance in alleviating hardship or suffering caused by such a catastrophe may be rendered through such agency or agencies as the President may designate and in such manner as he shall determine, without regard to such provisions of law regulating the expenditure of Government funds or the employment of persons in the Government service as he shall specify, whenever he finds that such a catastrophe is of sufficient severity and magnitude to warrant emergency assistance by the Federal Government in alleviating hardship or suffering caused thereby, and if the Governor of any State in which such a catastrophe shall occur shall certify that such assistance is required, and shall have entered into an agreement with such agency of the Government as the President may designate, giving assurance of expenditure of a reasonable amount of the funds of the government of such State, local governments therein, or other agencies, for the same or similar purposes with respect to such catastrophe: *Provided further*, That within any affected area Federal agencies are authorized to participate in any

such emergency assistance: *Provided further,* That no part of this appropriation which may be allocated for alleviating hardship or suffering caused by a catastrophe shall be expended for departmental personal services or for permanent construction: *And provided further,* That no part of this appropriation shall be available for allocation to finance a function or project for which function or project a budget estimate of appropriation was transmitted pursuant to law during the Eighty-first Congress and such appropriation denied after consideration thereof by the Senate or House of Representatives or by the Committee on Appropriations of either body.

EXECUTIVE MANSION AND GROUNDS

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Mansion and the Executive Mansion grounds, and traveling expenses, to be expended as the President may determine, notwithstanding the provisions of any other Act, $260,400.

BUREAU OF THE BUDGET

Salaries and expenses: For expenses necessary for the Bureau of the Budget, personal services in the District of Columbia and elsewhere (1)~~, including the salary of the Director at $12,000 per annum so long as the position is held by the present incumbent~~; exchange of books; newspapers and

periodicals (not exceeding $200); teletype news service (not exceeding $900); printing and binding; not to exceed $30,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed $50 per diem for individuals; a health-service program as authorized by law (5 U. S. C. 150); and the payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); (2) ~~$2,983,050~~ *$3,314,500.*

No part of the appropriations herein made to the Bureau of the Budget shall be used for the maintenance or establishment of more than four regional, field, or any other offices outside the District of Columbia.

COUNCIL OF ECONOMIC ADVISERS

Salaries and expenses: For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U. S. C. 1021), including personal services in the District of Columbia; travel expenses; purchase of one passenger motor vehicle for replacement only; printing and binding; newspapers and periodicals (not exceeding $200); press clippings (not exceeding $300); a health-service program as authorized by law (5 U. S. C. 150); and payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); (3) ~~$300,000~~ *$340,000.*

OFFICE FOR EMERGENCY MANAGEMENT

PHILIPPINE ALIEN PROPERTY ADMINISTRATION

Administrative expenses, Philippine Alien Property Administration: The Philippine Alien Property Administrator is hereby authorized to pay out of any funds or other property or interest vested in him or transferred to him, necessary expenses incurred in carrying out the powers and duties conferred on him pursuant to the Trading With the Enemy Act, as amended (50 U. S. C. App.), and the Philippine Property Act of 1946 (60 Stat. 418): *Provided*, That not to exceed $250,000 shall be available for the current fiscal year for the general administrative expenses of the Philippine Alien Property Administration, including the salary of the Administrator at $10,330 per annum; printing and binding; rent of private or Government-owned space in the District of Columbia; employment outside the United States of persons without regard to the civil service and classification laws including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); personal services in the District of Columbia and expenses of attendance at meetings of organizations concerned with the work of the agency: *Provided further*, That on or before November 1 of the current fiscal year the Philippine Alien Property Administrator shall make a report to the Appropriations Committees of the Senate and the House of Representatives

giving detailed information on all administrative and non-administrative expenses incurred during the next preceding fiscal year, in connection with the activities of the Philippine Alien Property Administration.

INDEPENDENT OFFICES

AMERICAN BATTLE MONUMENTS COMMISSION

Salaries and expenses: For necessary expenses, as authorized by the Act of June 26, 1946 (36 U. S. C. 121, 123–132, 138), including the acquisition of land or interest in land in foreign countries; personal services in the District of Columbia; purchase and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its Territories and possessions at a cost not exceeding $600; travel expenses; rent of office and garage space in foreign countries; the purchase of (4)~~one~~ *three* passenger motor (5)~~vehicles~~ *vehicles, including one at not to exceed $2,500*; printing, binding, engraving, lithographing, photographing, and typewriting; $644,300: *Provided,* That where station allowance has been authorized by the Department of the Army for officers of the Army serving the Army at certain foreign stations, the same allowance shall be authorized for officers of the armed forces assigned to the Commission while serving at the same foreign stations, and this appropriation is hereby made available for the payment of such allowance: *Provided further,* That when traveling on

business of the Commission, officers of the armed forces serving as members or as secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission.

Construction of memorials and cemeteries: For the permanent design and construction of memorials and cemeteries in foreign countries as authorized by the Act of June 26, 1946 (36 U. S. C. 121, 123–132, 138), and the Act of August 5, 1947 (Public Law 368), $5,276,500, of which $1,276,500 is for payment of obligations incurred under authority provided under this head in the Independent Offices Appropriation Act, 1949, to remain available until expended; and in addition the Commission is authorized to enter into contracts in the amount of $5,000,000 for the purposes of this appropriation.

ATOMIC ENERGY COMMISSION

For expenses necessary to carry out the purposes of the Atomic Energy Act of 1946, including personal services in the District of Columbia and employment of aliens; purchase of land and interests in land; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); purchase of passenger motor vehicles for replacement only; purchase, maintenance, and operation of aircraft; printing and binding; health-service program as authorized by law (5 U. S. C. 150); publication and dissemination of atomic information;

payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); purchase, repair, and cleaning of uniforms; purchase of newspapers and periodicals (not to exceed $8,000) and travel expenses; official entertainment expenses (not to exceed $5,000); and payment of obligations incurred under prior year contract authorizations; $702,930,769, together with the(6) ~~unobligated balances~~ *unexpended balances, as of June 30, 1949,* of prior year appropriations to the Atomic Energy Commission, of which amounts $100,000 may be expended for objects of a confidential nature and in any such case the certificate of the Commission as to the amount of the expenditure and that it is deemed inadvisable to specify the nature thereof shall be deemed a sufficient voucher for the sum therein expressed to have been expended; from which appropriation transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred; and in addition to the amount herein provided, the Commission is authorized to contract for the purposes of this appropriation during the current fiscal year in an amount not exceeding $387,189,628: *Provided,* That no part of this appropriation shall be used to pay the salary of any officer or employee (except such offi-

cers and employees whose compensation is fixed by law, and scientific and technical personnel) whose position would be subject to the Classification Act of 1923, as amended, if such Act were applicable to such position, at a rate in excess of the rate payable under such Act for positions of equivalent difficulty or responsibility (7): *Provided further, That not to exceed $2,700,000 of the amount herein appropriated may be transferred to the Department of the Navy for the acquisition, construction, and installation, at a location to be determined, of facilities (including necessary land and rights pertaining thereto) to replace existing Navy facilities at Arco, Idaho, which latter facilities are hereby authorized to be transferred by the Secretary of the Navy to the Commission for its purposes* (7½): *Provided further, That no part of this appropriation or contract authorization shall be used—*

(A) to start any new construction project for which an estimate was not included in the budget for the current fiscal year;

(B) to start any new construction project the currently estimated cost of which exceeds the estimated cost included therefor in such budget; or

(C) to continue any community facility construction project whenever the currently estimated cost thereof

exceeds the estimated cost included therefor in such budget;

unless the Director of the Bureau of the Budget specifically approves the start of such construction project or its continuation and a detailed explanation thereof is submitted forthwith by the Director to the Appropriations Committees of the Senate and the House of Representatives and the Joint Committee on Atomic Energy; the limitations contained in this proviso shall not apply to any construction project the total estimated cost of which does not exceed $500,000; and, as used herein, the term "construction project" includes the purchase, alteration, or improvement of buildings, and the term "budget" includes the detailed justification supporting the budget estimates: Provided further, That whenever the current estimate to complete any construction project (except community facilities) exceeds by 15 per centum the estimated cost included therefor in such budget or the estimated cost of a construction project covered by clause (A) of the foregoing proviso which has been approved by the Director, the Commission shall forthwith submit a detailed explanation thereof to the Director of the Bureau of the Budget and the Committees on Appropriations of the Senate and of the House of Representatives and the Joint Committee on Atomic Energy.

CIVIL SERVICE COMMISSION

Salaries and expenses: For necessary expenses, personal services in the District of Columbia (8)~~, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents~~: not to exceed $25,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a) (9). *which are not available in the Federal service*: not to exceed $10,000 for medical examinations performed for veterans by private physicians on a fee basis: travel expenses of examiners acting under the direction of the Commission, and expenses of examinations and investigations held in Washington and elsewhere: not to exceed $500 for payment in advance for library membership in societies whose publications are available to members only or to members at a price lower than to the general public: purchase of three passenger motor vehicles: printing and binding: not to exceed (10)~~$40,000~~ *$60,000* for performing the duties imposed upon the Commission by the Act of July 19, 1940 (54 Stat. 767) : (11)*not to exceed $500,000 for allocation to the Federal Bureau of Investigation as required for investigation of applicants for certain positions when requested by the head of the department or agency concerned in cases where the department or agency concerned does not maintain its own investigative staff:* a health-service program as author-

ized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and not to exceed $5,000 for actuarial services by contract, without regard to section 3709, Revised Statutes, as amended; (12) ~~$14,000,000~~ *$16,250,000*: *Provided,* That no details from any executive department or independent establishment in the District of Columbia or elsewhere to the Commission's central office in Washington or to any of its regional offices shall be made during the current fiscal year, but this shall not affect the making of details for service as members of the boards of examiners outside the immediate offices of the Commission in Washington or of the regional directors, nor shall it affect the making of details of persons qualified to serve as expert examiners on special subjects: *Provided further,* That the Civil Service Commission shall have power in case of emergency to transfer or detail any of its employees to or from its office or field force: *Provided further,* That members of the Loyalty Review Board in Washington and of the regional loyalty boards in the field may be paid actual transportation expenses, and not to exceed $10 per diem in lieu of subsistence while traveling on official business away from their homes or regular places of business, and while en route to and from and at the place where their services are to be performed: *Provided further,* That nothing

in section 281 or 283 of title 18, United States Code, or in section 190 of the Revised Statutes (5 U. S. C. 99) shall be deemed to apply to any person because of his appointment for part-time or intermittent service as a member of the Loyalty Review Board or a regional loyalty board in the Civil Service Commission.

No part of the appropriations herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, established pursuant to Executive Order Numbered 9358 of July 1, 1943(13), *or for the compensation or expenses of any member of a board of examiners who has not filed an affidavit that he is not, and within the fiscal years 1948 or 1949, has not been, pecuniarily or otherwise interested in any proceeding before any agency (as defined in section 2 of the Administrative Procedure Act), or any other proceeding to which the United States is a party.*

No part of appropriations herein shall be used to pay the compensation of officers and employees of the Civil Service Commission who allocate or reallocate supervisory positions in the classified civil service solely on the size of the group, section, bureau, or other organization unit, or on the number of subordinates supervised. References to size of the group, section, bureau, or other organization unit

or the number of subordinates supervised may be given effect only to the extent warranted by the work load of such organization unit and then only in combination with other factors, such as the kind, difficulty, and complexity of work supervised, the degree and scope of responsibility delegated to the supervisor, and the kind, degree, and value of the supervision actually exercised.

PANAMA CANAL CONSTRUCTION ANNUITY FUND

For payment of annuities authorized by the Act of May 29, 1944, as amended (48 U. S. C. 1373a), (14)~~$5,304,870~~ *$5,894,300*, to be available immediately.

CIVIL-SERVICE RETIREMENT AND DISABILITY FUND

For financing the liability of the United States, created by the Act approved May 22, 1920, and Acts amendatory thereof (5 U. S. C. chap. 14), (15)~~$295,553,700~~ *$328,393,000*, which amount shall be placed to the credit of the "civil-service retirement and disability fund".

CANAL ZONE RETIREMENT AND DISABILITY FUND

For financing the liability of the United States, created by the Act approved March 2, 1931, and Acts amendatory thereof (48 U. S. C. 1371n), (16)~~$899,100~~ *$999,000*, which amount shall be placed to the credit of the "Canal Zone retirement and disability fund".

ALASKA RAILROAD RETIREMENT AND DISABILITY FUND

For financing the liability of the United States created

by the Act approved June 29, 1936 (5 U. S. C. 745), (17)~~$193,500~~ *$215,000*, which amount shall be placed to the credit of the "Alaska Railroad retirement and disability fund".

DISPLACED PERSONS COMMISSION

Displaced Persons Commission: For expenses necessary to carry out the provisions of the Displaced Persons Act of 1948 (Public Law 774, approved June 25, 1948), including personal services and rents in the District of Columbia; travel expenses without regard to the Standardized Government Travel Regulations, as amended, and the rates of per diem allowances under the Subsistence Expense Act of 1926, as amended; (18)*purchase (not to exceed thirty), and* hire of passenger motor vehicles; printing and binding, including printing and binding outside the continental limits of the United States without regard to section 11 of the Act of March 1, 1919 (44 U. S. C. 111); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); health service program as authorized by law (5 U. S. C. 150); employment of aliens; payment of rent in foreign countries in advance; and purchases and services abroad without regard to section 3709 of the Revised Statutes; $4,210,000: *Provided*, That allocations may be made from this appropriation

by the Commission upon approval by the Director of the Bureau of the Budget to any department, agency, corporation, or independent establishment of the Government for direct expenditure for the purposes of this appropriation, and any such expenditures may be made under the specific authority herein contained or under the authority governing the activities of the department, agency, corporation, or independent establishment to which amounts are allocated: *Provided further*, That the Commission may enter into agreements with governmental and private agencies and may make payment in advance or by reimbursement for expenses incurred by such agencies in rendering assistance to the Commission in carrying out the purposes of this Act.

FEDERAL COMMUNICATIONS COMMISSION

Salaries and expenses: For necessary expenses in performing the duties imposed by the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1064), the Ship Act of 1910, approved June 24, 1910, as amended (46 U. S. C. 484–487), the International Radiotelegraphic Convention (45 Stat., pt. 2, p. 2760), Executive Order 3513, dated July 9, 1921, as amended under date of June 30, 1934, relating to applications for submarine cable licenses, and the radiotelegraphy provisions of the Convention for Promoting Safety of Life at Sea, ratified by the President July 7, 1936,

personal services in the District of Columbia. (19)~~including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents.~~ contract stenographic reporting services, special counsel fees, health service program as authorized by law (5 U. S. C. 150), payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), improvement and care of grounds and repairs to buildings (not to exceed $17,500), purchase of not to exceed fifteen passenger motor vehicles for replacement only, travel expenses (not to exceed $94,000), and printing and binding. (20)~~$6,525,000~~ *$6,633,000*: *Provided*, That funds appropriated under this paragraph may be used for application processing and hearings in connection with broadcast activities and for application processing in connection with safety and special services without regard to the apportionment of funds required by the Act of February 27, 1906 (31 U. S. C. 665).

FEDERAL POWER COMMISSION

Salaries and expenses: For expenses necessary for the work of the Commission, not otherwise provided for, as authorized by law, personal services in the District of Columbia (21)~~, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents~~; not to exceed (22)~~$220,000~~ *$230,000* for travel; health service program as authorized by law (5

U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); printing and binding; purchase (not to exceed four, for replacement only) and hire of passenger motor vehicles; and not to exceed $500 for newspapers; (23)~~$3,650,000~~ *$3,763,000*, of which amount (24)~~not to exceed $2,122,000 shall be available for personal services in the District of Columbia exclusive of~~ not to exceed $10,000 (25)*shall be available* for special counsel and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), but at rates not exceeding $50 per diem for individuals.

Flood-control surveys: For expenses necessary for the work of the Commission as authorized by section 4 of the Act of June 28, 1938 (33 U. S. C. 701j), and similar provisions in subsequent Acts, including personal services in the District of Columbia; contract stenographic reporting services, and printing and binding, (26)~~$325,000~~ *$337,000* (27)~~, of which amount not to exceed $130,000 shall be available for personal services in the District of Columbia.~~

FEDERAL TRADE COMMISSION

Salaries and expenses: For necessary expenses, personal services in the District of Columbia (28)~~, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents~~; health service program as authorized by law (5 U. S. C. 150); payment

of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); contract stenographic reporting services; printing and binding; and newspapers not to exceed $700; (29) ~~$3,450,000~~ *$3,739,000*: *Provided*, That no part of the funds appropriated herein for the Federal Trade Commission shall be expended upon any investigation hereafter provided by concurrent resolution of the Congress until funds are appropriated subsequently to the enactment of such resolution to finance the cost of such investigation.

FEDERAL WORKS AGENCY

OFFICE OF THE ADMINISTRATOR

Salaries and expenses: For salaries and expenses in the Office of the Administrator in the District of Columbia, including the salaries of an Assistant Administrator and a general counsel at $10,330 each per annum; purchase of newspapers and periodicals (not to exceed $150); health service program as authorized by law (5 U. S. C. 150); preparation, shipment, and installation of photographic displays, exhibits, and other descriptive materials; and travel expenses; (30) ~~$300,000~~ *$325,000*.

Public Works Administration liquidation: The funds made available for "Public Works Administration liquidation" by the Second Deficiency Appropriation Act, 1944, as amended by the First Deficiency Appropriation Act, 1945, the First Deficiency Appropriation Act, 1946, the

Third Deficiency Appropriation Act, 1946, the Independent Offices Appropriation Act, 1948, and the Independent Offices Appropriation Act, 1949, are hereby continued available until June 30, 1950, of which not to exceed (31)~~$15,500~~ *$20,000* shall be available for administrative expenses during the current fiscal year (32), *including not to exceed $1,200 for administrative expenses in connection with the city of East Peoria sewage project.*

Servicing of securities (private funds): The Federal Works Administrator is authorized, in connection with the authority placed in him by the Independent Offices Appropriation Act, 1947, and section 6 of the Act of July 31, 1946 (16 U. S. C. 825u), in respect to all bonds and any other obligations under his jurisdiction, issued by public authorities, States, or other public bodies for projects financed by the Public Works Administration, to perform such services in the administration of such bonds and other obligations as he determines to be necessary and in the public interest: *Provided*, That such services shall be at the request of such public agencies: *Provided further*, That such public agencies shall pay to the United States the cost of such services and any funds thus received shall be deposited in a special account or accounts in the Treasury of the United States and shall be available to the Federal

Works Administrator solely for defraying the cost of such services.

(33) *Conservation of securities: For expenses necessary for the conservation of the Federal Government's interest in bonds and other obligations in the custody of the Federal Works Administrator, issued for the construction of Public Works Administration projects, including personal services in the District of Columbia and travel expenses; $30,000, to be derived by transfer from the appropriation for "Public Works Administration liquidation" in the Independent Offices Appropriation Act, 1949.*

Appropriations and other funds available to the Federal Works Agency shall be available during the current fiscal year for (a) printing and binding; (b) services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), but at rates for individuals not in excess of $50 per diem; and (c) payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672).

PUBLIC BUILDINGS ADMINISTRATION

For carrying into effect the provisions of the Public Buildings Acts, as provided in section 6 of the Act of May 30, 1908 (31 U. S. C. 683), and for the repair, preservation, and upkeep of all completed public buildings under the control of the Federal Works Agency, the mechanical

equipment and the grounds thereof, and sites acquired for buildings, and for the operation of certain completed and occupied buildings under the control of the Federal Works Agency, including furniture and repairs thereof, but exclusive, with respect to operation, of buildings of the United States Coast Guard, of hospitals, quarantine stations, and other Public Health Service buildings, mints, bullion depositories, and assay offices, and buildings operated by the Treasury and Post Office Departments in the District of Columbia:

General administrative expenses: For necessary expenses of the Public Buildings Administration, personal services in the District of Columbia (34), ~~, including the salary of the Commissioner of Public Buildings at $12,000 per annum so long as the position is held by the present incumbent~~; ground rent of the Federal buildings at Salamanca, New York, and Columbus, Mississippi, for which payment may be made in advance; $1,763,000, together with the unobligated balance of funds appropriated for the return of departmental functions to the seat of government, contained in the "Independent Offices Appropriation Act, 1948": *Provided*, That the foregoing appropriations shall not be available for the cost of surveys, plaster models, progress photographs, test pits and borings, or mill and shop inspections, but the cost thereof shall be construed to be chargeable

against the construction appropriations of the respective projects to which they relate.

Repair, preservation, and equipment, outside the District of Columbia: For the repair, alteration, improvement, preservation, and equipment, not otherwise provided for, of completed Federal buildings, the grounds and approaches thereof, wharves, and piers, together with the necessary dredging adjacent thereto, and care and safeguarding of sites acquired for Federal buildings and of surplus real property, the custody of which is the responsibility of the Public Buildings Administration under the Act of August 27, 1935, pending sale or disposition; the demolition of buildings thereon; the purchase and repair of equipment and fixtures in buildings under the administration of the Federal Works Agency; and for changes in, maintenance of, and repairs to the pneumatic-tube system in New York City installed under franchise of the city of New York, approved June 29, 1909, and June 11, 1928, and the payment of any obligations arising thereunder in accordance with the provisions of the Acts approved August 5, 1909 (36 Stat. 120), and May 15, 1928 (45 Stat. 533); $10,000,000: *Provided,* That the total expenditures for the fiscal year for the repair and preservation of buildings not reserved by the vendors on sites acquired for buildings or the enlargement of buildings and the installation and repair of the mechanical equipment thereof

shall not exceed 20 per centum of the annual rental of such buildings.

Salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area: For expenses necessary for the administration, protection, maintenance, and improvement of public buildings and grounds in the District of Columbia and the area adjacent thereto, maintained and operated by the Public Buildings Administration, including repair, preservation, and equipment of buildings operated by the Treasury and Post Office Departments in the District of Columbia; rent of buildings; demolition of buildings; expenses incident to moving various executive departments and establishments in connection with the assignment, allocation, transfer, and survey of building space; traveling expenses; the purchase of two passenger motor vehicles for replacement only; furnishings and equipment; arms and ammunition for the guard force; and purchase, repair, and cleaning of uniforms for guards and elevator conductors; $31,140,000: *Provided,* That all furniture now owned by the United States in other public buildings or in buildings rented by the United States shall be used, so far as practicable, whether or not it corresponds with the present regulation plan for furniture.

Salaries and expenses, public buildings and grounds outside the District of Columbia: For expenses necessary for the

administration, operation, protection, and maintenance of public buildings and grounds outside the District of Columbia maintained and operated by the Public Buildings Administration, including cleaning, heating, lighting, rental of buildings and equipment, supplies, materials, furnishings and equipment, personal services in the District of Columbia, arms, ammunition, purchase, repair, and cleaning of uniforms for guards and elevator conductors, the purchase of five passenger motor vehicles for replacement only, expenses incident to moving Government agencies in connection with the assignment, allocation, and transfer of building space, and the restoration of leased premises, $23,968,800: *Provided,* That all furniture now owned by the United States in other public buildings or in buildings rented by the United States shall be used, so far as practicable, whether or not it corresponds with the present regulation plan for furniture.

The provisions of section 322 of the Act of June 30, 1932, as amended (40 U. S. C. 278a), shall not apply to any lease entered into by, or transferred to, the Public Buildings Administration for the housing of activities specifically exempted from the provisions of the said Act, as amended.

Under the appropriations for salaries and expenses, public buildings and grounds in and outside the District of Columbia, and for national industrial reserve, per diem

employees may be paid at rates approved by the Commissioner of Public Buildings not exceeding current rates for similar services in the place where such services are employed, and such employees in emergencies may be entered on duty subject to confirmation by the Federal Works Administrator.

The appropriations for salaries and expenses, public buildings and grounds in and outside the District of Columbia, shall be available for communication services serving one or more governmental activities, and for services to motor vehicles, and where such services, together with quarters, maintenance, or other services, are furnished on a reimbursable basis to any governmental activity, such activity shall make payment therefor promptly by check upon the request of the Public Buildings Administration, either in advance or after the service has been furnished, for deposit to the credit of the applicable appropriation, of all or part of the estimated or actual cost thereof, as the case may be, proper adjustment upon the basis of actual cost to be made for services paid for in advance.

Costs of maintenance, upkeep, and repair paid by Government corporations pursuant to section 306 of the Government Corporations Appropriation Act, 1948, shall be credited to the appropriations of the Public Buildings Administration bearing such costs.

Funds available to the Public Buildings Administration shall also be available for health-service programs as authorized by law (5 U. S. C. 150).

National industrial reserve: For expenses necessary to carry out the duties imposed upon the Federal Works Agency by the Act of July 2, 1948 (Public Law 883), relating to the retention and maintenance of a national industrial reserve, including personal services in the District of Columbia; purchase of not to exceed eight passenger motor vehicles for replacement only; and maintenance, protection, repair, restoration, renovation, and other services by contract or otherwise without regard to section 3709 of the Revised Statutes; $12,500,000: *Provided*, That the War Assets Administration or its successor agency is hereby authorized and directed to transfer to the Public Buildings Administration, without reimbursement, the land and buildings comprising War Assets Administration disposal center numbered 12, Buffalo, New York, together with all appurtenances thereto: *Provided further*, That the Public Buildings Administration may furnish necessary utilities or services, at cost, to persons, firms or corporations in connection with the occupancy of such plants and the amounts received therefor may be credited as reimbursements to this appropriation.

Geophysical Institute, Alaska: For the establishment of a geophysical institute at the University of Alaska, as authorized by the Act of July 31, 1946 (48 U. S. C. 175, 175a), $875,000, to be immediately available and to remain available until expended, which amount shall be for the payment of obligations incurred under authority provided under this head in the Independent Offices Appropriation Act, 1949.

General Accounting Office Building, District of Columbia: For continuation of construction of a building for the use of the General Accounting Office on square 518, in the District of Columbia, under the provisions of the Act of May 18, 1948 (Public Law 533), to remain available until expended, $5,000,000, which shall be for payment of obligations incurred under authority granted under this head in the Second Deficiency Appropriation Act, 1948.

Federal Courts Building, District of Columbia: For the continuation of construction of a building for the use of the United States Court of Appeals for the District of Columbia and the District Court of the United States for the District of Columbia, as authorized by the Act of May 14, 1948 (Public Law 527), to remain available until expended, $5,000,000, which shall be for payment of obligations incurred under authority granted under this head in the Second Deficiency Appropriation Act, 1948.

PUBLIC ROADS ADMINISTRATION

General administrative expenses: For the employment of persons and means, (35)~~including the salary of the Commissioner of Public Roads at $12,000 per annum so long as the position is held by the present incumbent, and including~~ rent, advertising (including advertising in the city of Washington for work to be performed in areas adjacent thereto), purchase of periodicals, purchase of one hundred passenger motor vehicles for replacement only, health service program as authorized by law (5 U. S. C. 150), and the preparation, distribution, and display of exhibits, in the city of Washington and elsewhere for the purpose of conducting research and investigational studies, either independently or in cooperation with State highway departments, or other agencies, including studies of highway administration, legislation, finance, economics, transport, construction, operation, maintenance, utilization, and safety, and of street and highway traffic control; investigations and experiments in the best methods of road making, especially by the use of local materials; studies of types of mechanical plants and appliances used for road building and maintenance, and of methods of road repair and maintenance suited to the needs of different localities; for maintenance and repairs of experimental highways; for furnishing expert advice on these subjects; for collating, reporting, and illustrating

the results of same; and for preparing, publishing, and distributing bulletins and reports; to be paid from any moneys available from the administrative funds provided under the Act of July 11, 1916, as amended (23 U. S. C. 21), or as otherwise provided.

In carrying out the provisions of "An Act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", as amended and supplemented (23 U. S. C. 1–117), none of the money appropriated for the work of the Public Roads Administration during the current fiscal year shall be paid to any State on account of any project on which convict labor shall be employed, except this provision shall not apply to convict labor performed by convicts on parole or probation: *Provided,* That during the current fiscal year, whenever performing authorized engineering or other services in connection with the survey, construction, and maintenance, or improvement of roads for other Government agencies, cooperating foreign countries and State cooperating agencies the charge for such services may include depreciation on engineering and road-building equipment used, and the amounts received on account of such charges shall be credited to the appropriation concerned: *Provided further,* That during the current fiscal year the appropriations for the work of the Public Roads Administration shall

be available for meeting the expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment stored therein for distribution to projects under the supervision of the Public Roads Administration, and for sale and for distribution to other Government activities, cooperating foreign countries and State cooperating agencies, the cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling) to be reimbursed to appropriations current at the time additional supplies, materials, or equipment are procured, from the appropriation chargeable with the cost or value of such supplies, materials, or equipment: *Provided further*, That the appropriations available to the Public Roads Administration may be used in emergency for medical supplies and services and other assistance necessary for the immediate relief of employees engaged on hazardous work under that Administration.

For all necessary expenses to enable the President to utilize the services of the Public Roads Administration in fulfilling the obligations of the United States under the Convention on the Pan-American Highway Between the United States and Other American Republics, signed at Buenos Aires, December 23, 1936, and proclaimed September 16, 1937 (51 Stat. 152), for the continuation of cooperation with several governments, members of the Pan American

Union, in connection with the survey and construction of the Inter-American Highway as provided in public resolution, approved March 4, 1929 (Public Resolution 104), as amended or supplemented, and for performing engineering service in pan-American countries for and upon the request of any agency or governmental corporation of the United States, $100,000 to be derived from the administrative funds provided under the Act of July 11, 1916, as amended or supplemented (23 U. S. C. 21), or as otherwise provided.

Federal-aid postwar highways: For carrying out the provisions of the Federal-Aid Highway Act of 1944 (58 Stat. 838), (36) ~~$373,491,000~~ *$390,000,000*, together with $1,509,000 of the unobligated balance of funds heretofore appropriated for access roads, to be immediately available and to remain available until expended, which sum is composed of $150,000,000, the remainder of the amount authorized to be appropriated for the second postwar fiscal year by section 2 of said Act, and (37) ~~$225,000,000~~ *$241,509,000*, a part of the amount authorized to be appropriated for the third postwar year by said section 2.

Forest highways: For expenses necessary for carrying out the provisions of section 23 of the Federal Highway Act of November 9, 1921, as amended (23 U. S. C. 23, 23a),

in accordance with section 3a of the Federal-Aid Highway Act of 1948 (Public Law 834, approved June 28, 1948), to be available immediately and to remain available until expended, $22,500,000, which sum is composed of $2,400,000, the remainder of the amount authorized by section 9 of the Federal-Aid Highway Act of 1944 (58 Stat. 842) to be appropriated for the first postwar fiscal year and $20,100,000, a part of the amount authorized by said section to be appropriated for the second postwar fiscal year; and of which total amount $7,500,000 is for payment of obligations incurred under authority granted in the appropriation for "Forest roads and trails" under the Department of Agriculture in the Second Deficiency Appropriation Act, 1948: *Provided*, That any unexpended balances of amounts appropriated for forest highways under "Forest roads and trails" under the Department of Agriculture which are transferred to the Public Roads Administration shall be consolidated with this appropriation.

Access roads: During the current fiscal year, not to exceed $70,000 of funds remaining unexpended upon completion of access road projects authorized to be constructed under the provisions of the Defense Highway Act of 1941, as amended by the Act of July 2, 1942 (23 U. S. C. 106), shall be available for the maintenance of roads and bridges

under the jurisdiction of the Public Roads Administration on Government-owned land in Arlington County, Virginia.

BUREAU OF COMMUNITY FACILITIES

Public works advance planning: The unexpended balances on June 30, 1949, of funds made available for public works advance planning under title V of the War Mobilization and Reconversion Act of 1944 (58 Stat. 791), are hereby continued available for expenditure until June 30, 1950.

Liquidation of public works advance planning: Not to exceed $350,000 of the unobligated balance on June 30, 1949, of the funds made available for public works advance planning under title V of the War Mobilization and Reconversion Act of 1944 (58 Stat. 791) shall be available during the current fiscal year for administrative expenses incident to the liquidation of the activity for which said funds were appropriated, including the objects specified under this head in the Independent Offices Appropriation Act, 1946.

Virgin Islands public works: For an additional amount to carry out the provisions of the Act of December 20, 1944 (58 Stat. 827), $680,000, to be available immediately.

War public works (community facilities) liquidation: For administrative expenses necessary during the current

fiscal year for the liquidation of all activities under titles II, III, and IV of the Act of October 14, 1940, as amended (42 U. S. C. 1531–1534, 1541, and 1562), including personal services and rents in the District of Columbia; printing and binding; and a health service program as authorized by law (5 U. S. C. 150); not to exceed $175,000 of the unobligated balances of the funds heretofore appropriated for carrying out the provisions of titles II, III, and IV of the Act of October 14, 1940, as amended (42 U. S. C. 1531–1534, 1541, and 1562).

Veterans' educational facilities: Of the limitation of $4,000,000 on the amount for administrative expenses under this head in the Independent Offices Appropriation Act, 1949, the amount to be used exclusively for payment for accumulated and accrued leave to separated or furloughed employees is decreased from $467,000 to $367,000 (38)~~: *Provided,* That the foregoing limitation of $4,000,000 for administrative expenses is reduced to $3,800,000~~.

Grants for plan preparation, water pollution control: For grants to States, municipalities, or interstate agencies to aid in financing the cost of action preliminary to the construction of projects for water pollution control as authorized by section 8 (c) of the Water Pollution Control Act of June 30, 1948 (62 Stat. 1155), (39)~~$100,000~~ *$200,000*.

Administrative expenses, water pollution control: For

expenses necessary to carry out the administrative functions of the Federal Works Agency under the provisions of the Water Pollution Control Act of June 30, 1948 (62 Stat. 1155), as authorized by section 8 (e) of said Act, including personal services in the District of Columbia; travel; hire of passenger motor vehicles; health service programs as authorized by law (5 U. S. C. 150); and exchange of books; (40)~~$100,000~~ *$50,000.*

GENERAL ACCOUNTING OFFICE

Salaries: For personal services in the District of Columbia and elsewhere, (41)~~$31,743,000~~ *$34,169,000.*

Miscellaneous expenses: For necessary expenses, including printing and binding and the purchase of one passenger motor vehicle for replacement only, (42)~~$1,423,800~~ *$1,582,000.*

(43)*Agency expenditure analysis: For necessary expenses to carry out the provisions of section 206 of the Act of August 2, 1946 (Public Law 601), including personal services in the District of Columbia or elsewhere, printing and binding, and the procurement of services authorized by section 15 of the Act of August 2, 1946 (Public Law 600), $800,000, to be immediately available: Provided, That the Comptroller General of the United States is authorized to employ all personnel under this appropriation without regard to the civil-service laws, rules, and regulations.*

Appropriations for the General Accounting Office shall be available for a health service program as authorized by law (5 U. S. C. 150), for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a).

HOUSING AND HOME FINANCE AGENCY

OFFICE OF THE ADMINISTRATOR

~~(44) Salaries and expenses: For necessary expenses of the Office of the Administrator, including a health service program as authorized by law (5 U. S. C. 150), $1,200,000.~~

Salaries and expenses: For necessary expenses of the Office of the Administrator, including personal services and rent in the District of Columbia; printing and binding; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); expenses of attendance at meetings of organizations concerned with the work of the Agency; payment of tort claims pursuant to law (28 U. S. C. 2672); a health service program as authorized by law (5 U. S. C. 150); purchase of one passenger motor vehicle for replacement; and dissemination of the results of research and studies undertaken pursuant to title III of the Housing Act of 1948, notwithstanding the provisions of 39 U. S. C. 321b; $1,200,000.

PUBLIC HOUSING ADMINISTRATION

Annual contributions: For the payment of annual contributions to public housing agencies in accordance with section 10 of the United States Housing Act of 1937, as amended (42 U. S. C. 1410), $5,000,000: *Provided,* That except for payments required on contracts entered into prior to April 18, 1940, no part of this appropriation shall be available for payment to any public housing agency for expenditure in connection with any low-rent housing project, unless the public housing agency shall have adopted regulations prohibiting as a tenant of any such project by rental or occupancy any person other than a citizen of the United States, but such prohibition shall not be applicable in the case of a family of any serviceman or the family of any veteran who has been discharged (other than dishonorably) from, or the family of any serviceman who died in, the armed forces of the United States within four years prior to the date of application for admission to such housing: (45) ~~*Provided further,* That no part of this appropriation shall be used to pay any public housing agency any contribution occasioned by payments in lieu of taxes in excess of the amount specified in the original contract between such agency and the Public Housing Administration or its predecessor agencies:~~ *Provided further,* That all ex-

penditures of this appropriation shall be subject to audit and final settlement by the Comptroller General of the United States under the provisions of the Budget and Accounting Act of 1921, as amended.

(46) *OFFICE OF THE HOUSING EXPEDITER*

Salaries and expenses, Office of the Housing Expediter: For expenses necessary to carry out the functions of the Office of the Housing Expediter, including personal services in the District of Columbia; attendance at meetings of organizations concerned with rent control; hire of passenger motor vehicles; printing and binding; purchase of newspapers (not to exceed $10,000); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); not to exceed $5,000 for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and health service program as authorized by law (5 U. S. C. 150); $21,667,500: Provided, That as to cases involving the functions transferred to the Office of the Housing Expediter by Executive Order 9841, section 204 (e) of the Emergency Price Control Act of 1942, as amended, shall be considered as remaining in full force and effect during fiscal year 1950.

INDIAN CLAIMS COMMISSION

Salaries and expenses: For expenses necessary to carry out the purposes of the Act of August 13, 1946 (Public

Law 726), creating an Indian Claims Commission, including personal services in the District of Columbia and printing and binding, $90,000.

INLAND WATERWAYS CORPORATION

Inland Waterways Corporation: For the purchase of capital stock of the Inland Waterways Corporation (administered under the supervision and direction of the Secretary of Commerce) authorized by section 2 of the Act of June 3, 1924, as amended (49 U. S. C. 152), $1,000,000, to remain available until expended.

INTERSTATE COMMERCE COMMISSION

General expenses: For expenses necessary in performing the functions vested by law in the Commission (49 U. S. C. 1–24, 301–327, 901–923, 1001–1022), except those otherwise specifically provided for in this Act, and for general administration; not to exceed $5,000 for the employment of special counsel; contract stenographic reporting services; personal services in the District of Columbia; newspapers (not to exceed $200); health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); purchase of ten passenger motor vehicles for replacement only; and printing and binding; (47) ~~$9,321,000~~ *$9,621,000*, of which (48) ~~$35,000~~ *$100,000* shall be available for valuations of pipe lines, and

(49)~~$3,556,039~~ *$3,656,039* shall be available for the work of the Bureau of Motor Carriers: *Provided,* That Joint Board members and cooperating State commissioners may use Government transportation requests when traveling in connection with their duties as such.

Railroad safety: For expenses necessary in performing functions authorized by law (45 U. S. C. 1–15, 17–21, 35–46, 61–64; 49 U. S. C. 26) to insure a maximum of safety in the operation of railroads, including authority to investigate, test experimentally, and report on the use and need of any appliances or systems intended to promote the safety of railway operation, including those pertaining to block-signal and train-control systems, as authorized by the joint resolution approved June 30, 1906, and the Sundry Civil Act of May 27, 1908 (45 U. S. C. 35–37), and to require carriers by railroad subject to the Act to install automatic train-stop or train-control devices as prescribed by the Commission (49 U. S. C. 26), including the employment of inspectors, engineers, and personal services in the District of Columbia, and payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $958,500.

Locomotive inspection: For expenses necessary in the enforcement of the Act of February 17, 1911, entitled "An Act to promote the safety of employees and travelers upon

railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto", as amended (45 U. S. C. 22–34), including personal services in the District of Columbia, and payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $674,500.

INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

Contribution to Interstate Commission on the Potomac River Basin: To enable the Secretary of the Treasury to pay in advance to the Interstate Commission on the Potomac River Basin the Federal contribution toward the expenses of the Commission during the current fiscal year in the administration of its business in the conservancy district established pursuant to the Act of July 11, 1940 (54 Stat. 748), $5,000.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Salaries and expenses: For necessary expenses of the Committee (50), *including* contracts, without regard to section 3709, Revised Statutes, as amended, for the making of special investigations, and reports and for engineering, drafting and computing services; equipment, maintenance, and operation of the Langley Aeronautical Laboratory, the

Ames Aeronautical Laboratory, and the Lewis Flight Propulsion Laboratory; purchase and maintenance of cafeteria equipment; maintenance and operation of aircraft; purchase of eight passenger motor vehicles for replacement only; printing and binding; personal services in the District of Columbia; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); including $2,500 for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and a health service program for employees as authorized by law (5 U. S. C. 150); in all, (51)~~$38,710,000~~ *$43,610,000*: *Provided*, That statutory provisions prohibiting the payment of compensation to aliens shall not apply to any person whose employment by the Committee shall be determined by the Chairman thereof to be necessary: *Provided further*, That aircraft and parts, equipment, and supplies may be transferred to the Committee by the Air Force, Army, and Navy without reimbursement.

Construction and equipment: For construction and equipment at laboratories and research stations of the Committee, (52)*including the acquisition of that part of Wallops Island, Accomac County, Virginia, not presently owned by the Government, and not to exceed one acre in the vicinity of Wallops Island, Accomac County, Virginia, adjoining land heretofore acquired by the Government*, to be available

until June 30 of the next succeeding year, (53)~~$10,000,000~~ *$10,100,000,* of which $7,277,200 shall be available for payments under contracts entered into pursuant to the contract authority under this head in the Independent Offices Appropriation Act, 1949: *Provided,* That in addition, the Committee may enter into contracts for the purposes of this appropriation in an amount not in excess of $10,000,000.

NATIONAL ARCHIVES

Salaries and expenses: For necessary expenses of the Archivist and the National Archives; including personal services in the District of Columbia; scientific, technical, first-aid, protective, and other apparatus and materials for the arrangement, titling, scoring, repair, processing, editing, duplication, reproduction, and authentication of photographic and other records (including motion-picture and other films and sound recordings) in the custody of the Archivist; printing and binding; contract stenographic reporting services; travel expenses; payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and a health-service program as authorized by law (5 U. S. C. 150); $1,350,000.

(54)*Salaries and expenses, war records: For expenses necessary for the preparation of guides and other finding aids to records of the Second World War, including personal services in the District of Columbia; arranging, titling,*

scoring, processing, editing, duplication, reproduction, and authentication of photographic and other records (including motion-picture and other films and sound recordings); printing and binding; a health service program as authorized by law (5 U. S. C. 150); and payment of tort claims pursuant to law (28 U. S. C. 2672); $150,000, of which not to exceed $15,000 shall be available immediately.

NATIONAL CAPITAL HOUSING AUTHORITY

Maintenance and operation of properties: For the maintenance and operation of properties under title I of the District of Columbia Alley Dwelling Authority Act, (55)~~$31,410~~ *$34,900*: *Provided,* That all receipts derived from sales, leases, or other sources shall be covered into the Treasury of the United States monthly.

NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Land acquisition, National Capital and metropolitan area: For necessary expenses for the National Capital Park and Planning Commission in connection with the acquisition of land for the park, parkway, and playground system of the National Capital, as authorized by the Act of May 29, 1930 (46 Stat. 482), and amendment of August 8, 1946 (60 Stat. 960); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), and real estate appraisers, by contract or otherwise without regard to the

civil service and classification laws and section 3709, Revised Statutes, at rates of pay or fees not to exceed those usual for similar services; purchase of options and other costs incident to the acquisition of land; $695,000, to remain available until expended, $498,000 of said sum to be used for carrying out the provisions of section 1 (b) of said Act and $197,000 for carrying out the provisions of section 4 of said Act: (56) ~~*Provided,* That not exceeding $25,000 of funds available during the current fiscal year may be used for personal services~~ *Provided, That not exceeding $29,000 of the funds available under the above appropriation during the current fiscal year may be used for regular and part-time personal services of the Commission, excepting services by contract.*

District of Columbia redevelopment project planning: For printing and binding of a comprehensive plan prepared in accordance with the Act of August 2, 1946 (60 Stat. 790), $20,000.

PHILIPPINE WAR DAMAGE COMMISSION

Philippine War Damage Commission: For carrying out the provisions of title I of the Philippine Rehabilitation Act of 1946, $184,800,000, to remain available until April 30, 1951, of which not to exceed $3,502,554 shall be for necessary expenses of the Philippine War Damage Commission for the current fiscal year, including personal serv-

ices in the District of Columbia; purchase of newspapers and periodicals not to exceed $200; housing of American employees by rental or lease and necessary repairs and alterations to and maintenance of quarters, without regard to section 322 of the Act of June 30, 1932, as amended (40 U. S. C. 278a); printing and binding without regard to section 11 of the Act of March 1, 1919 (44 U. S. C. 111); and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided,* That the provisions of the Act of June 29, 1936 (46 U. S. C. 1241), shall not apply to any travel or transportation of effects payable from this appropriation: *Provided further,* That no payment shall be made under the provisions of such title of such Act to any person who, by a civil or military court having jurisdiction, has been found guilty of collaborating with the enemy or of any act involving disloyalty to the United States or the Republic of the Philippines: *Provided further,* That no part of this appropriation shall be available for engaging in any phase of activity or for undertaking any phase of activity authorized by the Philippine Rehabilitation Act of 1946 which would result in obligating the Government of the United States in any sense or respect to the future payment of amounts in excess of the amounts authorized to be appropriated in such Act: *Provided further,* That $20,000,000 of this appropriation shall be avail-

able immediately: *Provided further*, That the limitation under this head in the Independent Offices Appropriation Act, 1949, on the amount available for necessary expenses, is increased from "$2,907,991" to "$2,979,991": *Provided further*, That the limitation imposed by section 104 of the Independent Offices Appropriation Act, 1949, on the amount available for travel expenses under this head for the fiscal year 1949, is increased from "$227,720" to "$299,720".

SECURITIES AND EXCHANGE COMMISSION

Salaries and expenses: For necessary expenses, personal services in the District of Columbia (57)~~, including salaries of the Commissioners at $12,000 each per annum so long as the positions are held by the present incumbents~~; health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); not to exceed $1,150 for the purchase of newspapers; printing and binding; and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); $5,750,000.

SELECTIVE SERVICE SYSTEM

Salaries and expenses: For expenses necessary for the operation and maintenance of the Selective Service System, as authorized by title I of the Selective Service Act of 1948 (62

Stat. 604) including personal services in the District of Columbia; printing and binding; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); purchase of typewriters; not to exceed $500 for the purchase of newspapers and periodicals; and a health-service program as authorized by law (5 U. S. C. 150); (58) ~~$1,500,000~~ *$9,000,000.*

SMITHSONIAN INSTITUTION

Salaries and expenses, Smithsonian Institution: For all necessary expenses for the preservation, exhibition, and increase of collections from the surveying and exploring expeditions of the Government and from other sources; for the system of international exchanges between the United States and foreign countries; for anthropological researches among the American Indians and the natives of Hawaii and the excavation and preservation of archeological remains; for maintenance of the Astrophysical Observatory and making necessary observations in high altitudes; for the administration of the National Collection of Fine Arts; for the administration, and for the construction and maintenance, of laboratory and other facilities on Barro Colorado Island, Canal Zone, under the provisions of the Act of July 2, 1940, as amended by the provisions of Reorganization Plan Numbered 3 of 1946; for the maintenance and administration of

a national air museum as authorized by the Act of August 12, 1946 (20 U. S. C. 77); including personal services in the District of Columbia and not to exceed $35,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); traveling expenses; payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); printing and binding, including printing the report of the American Historical Association; purchase, repair, and cleaning of uniforms for guards and elevator conductors; repairs and alterations of buildings and approaches; and preparation of manuscripts, drawings, and illustrations for publications; $2,300,000.

Salaries and expenses, National Gallery of Art: For the upkeep and operation of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including personal services in the District of Columbia; health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); traveling expenses; not to exceed $250 for payment in advance when authorized by the treas-

urer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards and elevator operators; printing and binding; purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance and repair of buildings, approaches, and grounds; (59)~~$1,057,700~~ *$1,087,700*: *Provided*, That section 3709 of the Revised Statutes, or the Classification Act of 1923, as amended, shall not apply to the restoration and repair of works of art for the National Gallery of Art, the cost of which shall not exceed $15,000.

TARIFF COMMISSION

Salaries and expenses: For necessary expenses of the Tariff Commission, including personal services in the District of Columbia, printing and binding, subscriptions to newspapers not to exceed $250, health-service program as authorized by law (5 U. S. C. 150), and contract stenographic reporting services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), (60)~~$1,200,000~~ *$1,275,000*: *Provided*, That no part of this appropriation shall be used to pay the salary of any member of the Tariff Commission who shall hereafter participate in any proceedings under sections 336, 337, and 338 of the Tariff Act of

1930, wherein he or any member of his family has any special, direct, and pecuniary interest, or in which he has acted as attorney or special representative.

TENNESSEE VALLEY AUTHORITY

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U. S. C., ch. 12A), including purchase (not to exceed one) and hire, maintenance, repair, and operation of aircraft; the purchase (not to exceed one hundred and twelve for replacement only) and hire of passenger motor vehicles, $49,359,150 to remain available until expended, and to be available for the payment of obligations chargeable against prior appropriations.

THE TAX COURT OF THE UNITED STATES

Salaries and expenses: For necessary expenses, including printing and binding and contract stenographic reporting services, $800,000: *Provided,* That travel expenses of the judges shall be paid upon the written certificate of the judge.

UNITED STATES MARITIME COMMISSION

Salaries and expenses: For expenses necessary for carrying into effect the Merchant Marine Act, 1936, and other laws administered by the United States Maritime Commission, (61)~~$62,380,424~~ *$63,054,424* within limitations as follows:

Administrative expenses, including personal services in the District of Columbia; printing and binding; not to exceed $2,000 for newspapers and periodicals; not to exceed $17,700 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and not to exceed $1,125 for entertainment of officials of other countries when specifically authorized by the Chairman; in all, not to exceed $8,950,142, together with not to exceed $586,648 of the unobligated balance in the Federal ship mortgage insurance fund, revolving fund: *Provided*, That the Maritime Commission is authorized to dispense with the administrative audit of agents' accounts covering voyages beginning prior to April 1, 1949;

New ship construction, including reconditioning and betterment, as authorized by title V of the Merchant Marine Act, 1936 (except for construction of two prototype vessels under title VII of said Act), $26,875,000, of which $12,000,000 is for payment of obligations incurred under authority granted under this head in the Supplemental Independent Offices Appropriation Act, 1949, to enter into contracts for new ship construction in an amount not to exceed $75,000,000; and, in addition, the Commission is authorized to enter into contracts for new ship construction in an amount not to exceed (62) ~~$70,125,000~~ *$50,000,000*:

Provided, That (63)*no part of this contract authority shall be used to start any new ship construction for which an estimate was not included in the budget for the current fiscal year, or to start any new ship construction the currently estimated cost of which exceeds by 10 per centum the estimated cost included therefor in such budget, unless the Director of the Bureau of the Budget specifically approves the start of such ship construction and the Director shall submit forthwith a detailed explanation thereof to the Committees on Appropriations of the Senate and of the House of Representatives; and, as used herein, the term "budget" includes the detailed justification supporting the budget estimates: Provided further, That* not to exceed $104,000,000 of the funds and contract authority made available for new ship construction, including reconditioning and betterment, in the Supplemental Independent Offices Appropriation Act, 1949, shall continue to be available until (64)~~September 30~~ *December 31,* 1949 (65)~~: *Provided further,* That any funds and contract authority available for new ship construction under the limitation herein, and any funds and contract authority available for new ship construction in the Supplemental Independent Offices Appropriation Act, 1949, shall be available during the fiscal year 1950 in such amounts as may be necessary, in the discretion of the Commissioners, for use in acquisi-~~

~~tion and completion of the vessels Mariposa and Monterey, or either of them, as authorized in the said Supplemental Independent Offices Appropriation Act, 1949~~;

Maintenance of shipyard facilities, (66)~~$409,700~~ *$443,700*;

Operation of warehouses, (67)~~$461,550~~ *$501,550*;

Operating-differential subsidies, $18,218,382: *Provided*, That to the extent that the operating-differential subsidy accrual (computed on the basis of parity) is represented on the operator's books by a contingent accounts receivable item against the Commission as a partial or complete offset to the recapture accrual, the operator (1) shall be excused from making deposits in the Special Reserve Fund and, (2) as to the amount of such earnings the deposit of which is so excused, shall be entitled to the same tax treatment as though it had been deposited in said Special Reserve Fund. To the extent that any amount paid to the operator by the Commission reduces the balance in the operator's contingent receivable account against the Commission, such amount, unless it is forthwith deposited in the fund, shall be considered as withdrawn under section 607 (h) of the Merchant Marine Act, 1936, as amended;

Reserve fleet expense, (68)~~$6,534,800~~ *$7,134,800*;

Maintenance and operation of terminals, $510,850;

Miscellaneous expenses, including payment of claims

pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $420,000, of which $250,000 shall be available exclusively for liquidation of liens or claims which may take precedence over the Government's preferred mortgage on vessels.

Maritime training: For training personnel for the manning of the merchant marine (including operation of training stations at Kings Point, New York; Sheepshead Bay, New York; Pass Christian, Mississippi; Saint Petersburg, Florida; Alameda, California, and the United States Maritime Service Institute), including not to exceed (69)~~$1,682,500~~ *$3,065,000* for personal services (exclusive of pay of cadet midshipmen and other trainees) in the District of Columbia and elsewhere; printing and binding; health-service program as authorized by law (5 U. S. C. 150); not to exceed $2,500 for contingencies for the Superintendent, United States Merchant Marine Academy, to be expended in his discretion; and not to exceed (70)~~$60,000~~ *$100,000* for transfer to applicable appropriations of the Public Health Service for services rendered the Commission, $6,586,000 (71), *including the pay of cadet midshipmen and other trainees.*

State marine schools: To reimburse the State of California, $50,000; the State of Maine, $50,000; the State of Massachusetts, $50,000; and the State of New York, $50,-

000; for expenses incurred in the maintenance and support of marine schools in such States as provided in the Act authorizing the establishment of marine schools, and so forth, approved March 4, 1911, as amended (34 U. S. C. 1121–1123); and for the maintenance and repair of vessels loaned by the United States to the said States for use in connection with such State marine schools, $170,000; in all, $370,000.

War Shipping Administration liquidation: Not to exceed $15,000,000 of the unexpended balance of the appropriation to the Secretary of the Treasury in the Second Supplemental Appropriation Act, 1948, for liquidation of obligations found by the General Accounting Office to have been properly incurred against funds of the War Shipping Administration prior to January 1, 1947, is hereby continued available during the current fiscal year.

Notwithstanding any other provision of this Act, the Commission is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Commission, and payments received by the Commission for utilities, services, and repairs so furnished or made shall be credited to the appropriation charged with the cost thereof: *Provided*, That rental payments under any such lease, contract, or occupancy on account of items other than

such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

The United States Maritime Commission shall not incur any obligations during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act: *Provided*, That nothing contained herein and in the Independent Offices Appropriation Act, 1948, shall be construed to affect the authority of the Commission pursuant to the provisions of section 603 (a) of the Merchant Marine Act, 1936, as amended, (1) to grant operating differential subsidies on a long-term basis and (2) to obligate the United States to make future payments in accordance with the terms of such operating-differential subsidy contracts, and all receipts which otherwise would be deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts.

VETERANS' ADMINISTRATION

Administration, medical, hospital, and domiciliary services: For necessary expenses of the Veterans' Administration, including maintenance and operation of medical, hospital, and domiciliary services, in carrying out the functions pursuant to all laws for which the Administration is charged

with administering, including personal services in the District of Columbia; health-service program as authorized by law (5 U. S. C. 150); purchase of one hundred and thirty-one passenger motor vehicles for replacement only; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); maintenance and operation of farms; recreational articles and facilities at institutions maintained by the Veterans' Administration; expenses incidental to securing employment for war veterans; funeral, burial, and other expenses incidental thereto for beneficiaries of the Veterans' Administration except burial awards authorized by Veterans' Administration Regulation Numbered 9 (a), as amended; aid to State or Territorial homes in conformity with the Act approved August 27, 1888, as amended (24 U. S. C. 134), for the support of veterans eligible for admission to Veterans' Administration facilities for hospital or domiciliary care; not to exceed $5,600 for newspapers and periodicals; and not to exceed $56,800 for the preparation, shipment, installation, and display of exhibits, photographic displays, moving pictures, and other visual educational information and descriptive material, including the purchase or rental of equipment: (72) ~~$820,673,940~~ *$861,073,940*, from which allotments and transfers may be made to the Federal Security Agency (Public Health Service), the Army, Navy, and Interior Departments, for disburse-

ment by them under the various headings of their applicable appropriations, of such amounts as are necessary for the care and treatment of beneficiaries of the Veterans' Administration: *Provided,* That no part of this appropriation shall be used in pay in excess of one hundred persons engaged in public relations work: *Provided further,* That no part of this appropriation shall be expended for the purchase of any site for or toward the construction of any new hospital or home, or for the purchase of any hospital or home; and not more than $3,254,900 of this appropriation may be used to repair, alter, improve, or provide facilities in the several hospitals and homes under the jurisdiction of the Veterans' Administration either by contract or by the hire of temporary employees and the purchase of materials: *Provided further,* That hereafter the Administrator shall assign as his representatives, as provided for in the last sentence of section 1100 (a) of the Servicemen's Readjustment Act of 1944 (38 U. S. C. 696f), only such numbers of regional or sectional representatives as he finds necessary to provide for the processing of readjustment allowances in an efficient and economical manner **(73)**~~, and any such representative may be assigned to one or more States (without regard to residence in any State to which assigned) as may be necessary to carry out the intent of this proviso~~: *Provided further, That*

at least one of such representatives shall be assigned to and reside in each State.

Tort claims: For payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $15,000.

Pensions: For the payment of compensation, pensions, gratuities, and allowances (including subsistence allowances authorized by part VII of Veterans Regulation 1a, as amended), authorized under any Act of Congress, or regulation of the President based thereon, including emergency officers' retirement pay and annuities, the administration of which is now or may hereafter be placed in the Veterans' Administration, and for the payment of adjusted-service credits as provided in sections 401 and 601 of the Act of May 19, 1924, as amended (38 U. S. C. 631 and 661), $1,998,801,000, to be immediately available and to remain available until expended.

Readjustment benefits: For the payment of benefits to or on behalf of veterans as authorized by titles II, III, and V, of the Servicemen's Readjustment Act of 1944, $2,197,503,000, to be immediately available and to remain available until expended: *Provided*, That no part of this appropriation for education and training under title II of the Servicemen's Readjustment Act, as amended, shall be expended for tuition, fees, or other charges, or for subsistence allowance, for any

course elected or commenced by a veteran on or subsequent to July 1, 1948, and which is determined by the Administrator to be avocational or recreational in character. For the purposes of this proviso, education or training for the purpose of teaching a veteran to fly or related aviation courses in connection with his present or contemplated business or occupation (74) ~~shall not be considered avocational or recreational~~ *shall not, in the absence of substantial evidence to the contrary, be considered avocational or recreational when a certificate, in the form of an affidavit supported by two corroborating affidavits, has been furnished by a physically qualified veteran stating that such education or training is desired by him for use in connection with his present or contemplated business or occupation.*

Military and naval insurance: For military and naval insurance, $3,735,000, to be immediately available and to remain available until expended.

Hospital and domiciliary facilities: The authority under this head in the Third Urgent Deficiency Appropriation Act, 1946, the Independent Offices Appropriation Act, 1948, and the Supplemental Independent Offices Appropriation Act, 1949, to incur obligations for the purposes specified in those Acts, is hereby extended to July 1, 1951: *Provided,* That not to exceed 6.7 per centum of the foregoing contract authorizations shall be available for the em-

ployment in the District of Columbia and in the field of all necessary technical and clerical personnel for the preparation of plans and specifications for the projects as approved hereunder and in the supervision of the execution thereof, and for all travel expenses, field office equipment, and supplies in connection therewith, except that whenever the Veterans' Administration finds it necessary in the construction of any project to employ other Government agencies or persons outside the Federal service to perform such services not to exceed 10 per centum of the cost of such projects may be expended for such services: *Provided further*, That not to exceed $10,000,000 of the foregoing contract authorizations shall be obligated for portable initial equipment, including the purchase of one hundred and fifty-one passenger motor vehicles.

National service life insurance: For the payment of benefits and for transfer to the national service life insurance fund, in accordance with the National Service Life Insurance Act of 1940, as amended, **(75)** ~~$49,374,000~~ *$467,450,000*, to be immediately available and to remain available until expended: *Provided*, That certain premiums shall be credited to this appropriation as provided by the Act.

Veterans' miscellaneous benefits: For the payment of burial awards authorized by Veterans' Administration Regulation Numbered 9 (a), as amended, and for supplies, equip-

ment, and tuition authorized by part VII and payments authorized by part IX of Veterans' Administration Regulation Numbered 1 (a), as amended, $75,330,000, to remain available until expended.

(76) *Grants to the Republic of the Philippines: For Payments to the Republic of the Philippines of grants in accordance with the Act of July 1, 1948 (Public Law 865), for (a) construction and equipping of hospitals, $9,400,000, to be immediately available and to remain available until expended, and (b) expenses incident to medical care and treatment of veterans, $3,285,000.*

No part of the foregoing appropriations shall be available for hospitalization or examination of any persons except beneficiaries entitled under the laws bestowing such benefits to veterans, unless reimbursement of cost is made to the appropriation at such rates as may be fixed by the Administrator of Veterans' Affairs.

INDEPENDENT OFFICES—GENERAL PROVISIONS

SEC. 102. No part of any appropriation contained in this title shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or

who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided,* That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further,* That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this title shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law.

(77) *SEC. 102. (a) No part of any appropriation contained in this title for the Atomic Energy Commission shall be used to confer a fellowship on any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence or with respect to whom the Commission finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and loyalty of whom, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States: Provided, That any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence and accepts employment or a fellowship the salary, wages, stipend, grant, or expenses for which are paid from any appropriation contained in this title shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: Provided further, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law.*

SEC. 103. Where appropriations in this title are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel

expenses may not exceed the amount set forth therefor in the budget estimates submitted for the appropriations.

SEC. 104. Where appropriations in this title are expendable for the purchase of newspapers and periodicals and no specific limitation has been placed thereon, the expenditures therefor under each such appropriation may not exceed the amount of $50: *Provided,* That this limitation shall not apply to the purchase of scientific, technical, trade, or traffic periodicals necessary in connection with the performance of the authorized functions of the agencies for which funds are herein provided.

SEC. 105. No part of any appropriation contained in this title shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the armed forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Civil Service Commission as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 106. Appropriations contained in this title, available for expenses of travel, shall be available, when specifi-

cally authorized by the head of the activity or establishment concerned, for expenses of attendance at meetings of organizations concerned with the function or activity for which the appropriation concerned is made; and shall be available for the examination of estimates of appropriations and activities in the field.

SEC. 107. No part of any appropriation or fund contained in this title shall be available for installing or maintaining systems for administrative appropriation, fund, or inventory accounting except such systems as are prescribed or approved by the Comptroller General: *Provided,* That all agencies, for whose activities provision is made in this title, shall hereafter maintain fiscal-accounting control of all inventories of supplies, materials, or equipment which may be owned by or be in the custody of such agencies (78)~~:~~ ~~*Provided further,* That this section shall not be applicable to corporations or agencies subject to the Government Corporation Control Act, as amended~~.

(79)~~SEC. 108. Where provision is made in this title specifically setting forth the salary of any officer or employee, such salary rate shall be effective immediately upon the passage of this Act.~~

SEC. (80)~~109~~ *108*. No part of any appropriations made available by the provisions of this title shall be used for the purchase or sale of real estate or for the purpose of establish-

ing new offices outside the District of Columbia: *Provided,* That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor.

SEC. (81)~~110~~ *109*. All agencies provided for in this title shall furnish an administrative break-down of the costs of personnel and other obligations in the District of Columbia and in the field in such detail as the Subcommittees on Independent Offices Appropriations of the Committees on Appropriations of the Senate and the House of Representatives may direct.

(82)~~SEC. 111. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and twenty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided,* That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-~~

~~service examiners; wage administration; and processing, recording, and reporting.~~

SEC. 110. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel services when the ratio of positions for personnel services to the number of full-time, part-time, and intermittent positions which can be financed under funds available to the agency concerned exceeds such ratio as is determined by the Bureau of the Budget to be necessary for the proper performance of the personnel services of the agency: Provided, That this prohibition shall apply to employees who devote 50 per centum or more of their time to administrative services and all or a portion of that time to personnel services performed for civilian employees in the continental United States, comprising direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

(83) *SEC. 111. None of the sections under the head "Independent offices—General provisions" in this title, except section 102, shall apply to the Housing and Home Finance*

Agency, the Inland Waterways Corporation, or the Tennessee Valley Authority.

TITLE II

CORPORATIONS

The following corporations and agencies, respectively, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Budget for the fiscal year 1950 for each such corporation or agency, except as hereinafter provided:

HOUSING AND HOME FINANCE AGENCY

Home Loan Bank Board: Not to exceed a total of $427,500 to be derived from the special deposit account established under the provisions under the head "Federal Home Loan Bank Administration" in the Independent Offices Appropriation Act, 1944, and from receipts of the Federal Home Loan Bank Administration, the Federal Home Loan Bank Board, or the Home Loan Bank Board for the current fiscal year and prior fiscal years, shall be available during the current fiscal year for administrative expenses of the Home Loan Bank Board, including health-service

program as authorized by law (5 U. S. C. 150), and the Board may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Federal Savings and Loan Insurance Corporation, the Home Owners' Loan Corporation, and other agencies of the Government: *Provided*, That all necessary expenses in connection with the conservatorship of institutions insured by the Federal Savings and Loan Insurance Corporation and all necessary expenses (including services performed on a contract or fee basis, but not including other personal services) in connection with the handling, including the purchase, sale, and exchange, of securities on behalf of Federal home-loan banks, and the sale, issuance, and retirement of, or payment of interest on, debentures or bonds, under the Federal Home Loan Bank Act, as amended, shall be considered as nonadministrative expenses for the purposes hereof: *Provided further*, That notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of the Board shall be incurred, allowed, and paid in accordance with the provisions of the Federal Home Loan Bank Act of July 22, 1932, as amended (12 U. S. C. 1421–1449).

Federal Savings and Loan Insurance Corporation: Not to exceed $617,500 shall be available for ad-

ministrative expenses, including health-service program as authorized by law (5 U. S. C. 150), which shall be on an accrual basis and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, expenses in connection with liquidation of insured institutions, liquidation or handling of assets of or derived from insured institutions payment of insurance, and action for or toward the avoidance, termination, or minimizing of losses in the case of specific insured institutions, and legal fees and expenses, and said Corporation may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Home Loan Bank Board, the Home Owners' Loan Corporation, and other agencies of the Government: *Provided,* That notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of said Corporation shall be incurred, allowed, and paid in accordance with title IV of the Act of June 27, 1934, as amended (12 U. S. C. 1724–1730).

Home Owners' Loan Corporation: Not to exceed $1,823,250 shall be available for (84)~~administive~~ *administrative* expenses, including health-service program as authorized by law (5 U. S. C. 150), which shall be on an accrual basis and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, (85)*expenses (including per-*

sonal services) in connection with the termination or liquidation of accounts carried on the books of the corporation, expenses (including services performed on a force account, contract, or fee basis, but not including other personal services) in connection with the acquisition, protection, operation, maintenance, improvement, or disposition of real or personal property belonging to said Corporation or in which it has an interest, and legal fees and expenses, and said Corporation may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and other agencies of the Government: *Provided,* That, notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of said Corporation shall be incurred, allowed, and paid in accordance with the Home Owners' Loan Act of 1933, as amended (12 U. S. C. 1461–1468).

Federal Housing Administration: In addition to the amounts available by or pursuant to law (which shall be transferred to this authorization) for the administrative expenses of the Federal Housing Administration in carrying out duties imposed by or pursuant to law, not to exceed (86)~~$21,860,750~~ *$22,860,750* of the various funds of the

Federal Housing Administration as follows: (1) the mutual mortgage insurance fund; (2) the housing insurance fund; (3) the account in the Treasury comprised of funds derived from premiums collected under authority of section 2 (f), title I of the National Housing Act, as amended (12 U. S. C. 1701); (4) the war housing insurance fund; and (5) the housing investment insurance fund shall be available for expenditure, in accordance with the provisions of said Act for the administrative expenses of the Federal Housing Administration, including purchase of not to exceed one passenger motor vehicle, for replacement only; not to exceed $1,500 for periodicals and newspapers; not to exceed $1,500 for contract actuarial services; and health-service program as authorized by law (5 U. S. C. 150): *Provided,* That necessary expenses of the Administration (including services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, protection, completion, operation, maintenance, improvement, or disposition of real or personal property of the Administration acquired under authority of titles I, II, VI, and VII of said National Housing Act, shall be considered as nonadministrative for the purposes hereof: *Provided further,* That, except as herein otherwise provided, the administrative expenses and other obligations, including nonadminis-

trative expenses, of the Administration shall be incurred, allowed, and paid in accordance with the provisions of said Act of June 27, 1934, as amended (12 U. S. C. 1701).

Public Housing Administration: Of the amounts available by or pursuant to law for the administrative expenses of the Public Housing Administration in carrying out duties imposed by or pursuant to law including not to exceed $2,329,550 of the funds available for administrative expenses for the United States Housing Act program, not to exceed $8,054,600 shall be available for such expenses, including purchase of not to exceed five passenger motor vehicles, for replacement only; and a health-service program as authorized by law (5 U. S. C. 150): *Provided,* That necessary expenses of providing representatives of the Administration at the sites of non-Federal projects in connection with the construction of such non-Federal projects by public housing agencies with the aid of the Administration, shall be compensated by such agencies by the payment of fixed fees which in the aggregate in relation to the development costs of such projects will cover the cost of rendering such services, and expenditures by the Administration for such purpose shall be considered nonadministrative expenses, and funds received from such payments may be used only for the payment of necessary expenses of

providing representatives of the Administration at the sites of non-Federal projects or for administrative expenses of the Administration not in excess of the amount authorized by the Congress (87): ~~*Provided further,* That the Administrator of the Housing and Home Finance Agency may relinquish and transfer, pursuant to the same general terms and conditions specified in subsection 505 (a) and (b) of the Act of October 14, 1940, as added by the Act of June 28, 1948 (Public Law 796), title to temporary housing provided for certain veterans and their families under title V of said Act of October 14, 1940, as amended, to any State, county, city, or other public body: *Provided further,* That any application for such relinquishment and transfer shall be filed with the Administrator within one hundred and twenty days after the approval of this Act.~~

Liquidation of resettlement projects: Not to exceed $19,800 of the receipts derived from the operation of the projects transferred under section 4 (b) of Reorganization Plan Numbered 3 of 1947 shall be available for necessary expenses in connection with and to facilitate disposition of the suburban resettlement projects known as Greenbelt, Greendale, and Greenhills including services in accordance with section 15 of the Act of August 2, 1946 (5 U. S. C. 55a).

INLAND WATERWAYS CORPORATION

Inland Waterways Corporation (administered under the supervision and direction of the Secretary of Commerce): Not to exceed $522,000 shall be available for administrative expenses, to be determined in the manner set forth under the title "General expenses" in the Uniform System of Accounts for Carriers by Water of the Interstate Commerce Commission (effective January 1, 1947): *Provided,* That no funds shall be used to pay compensation of employees normally subject to the Classification Act of 1923, as amended, at rates in excess of rates fixed for similar services under the provisions of the Classification Act, as amended, nor to pay the compensation of vessel employees and such terminal and other employees as are not covered by the (88) ~~Clasification~~ *Classification* Act, at rates in excess of rates prevailing in the river transportation industry in the area (including prevailing leave allowances for vessel employees, but the granting of such allowances shall not be construed as establishing a different leave system within the meaning of that term as used in section 3 of the Act of December 21, 1944 (5 U. S. C. 61d)).

TENNESSEE VALLEY AUTHORITY

Not to exceed $3,699,000 of the funds available to the Tennessee Valley Authority, shall be available during the

current fiscal year for all administrative and general expenses of the Corporation, which expenses shall be inclusive of costs of all administrative offices and other activities representing management and other functions serving the programs and projects of the Corporation in general.

CORPORATIONS—GENERAL PROVISIONS

SEC. 202. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided,* That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence:

Provided further, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any funds available to any corporation or agency included in this title shall be guilty of a felony, and upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing laws.

~~(89) SEC. 203. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and twenty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided,* That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of~~

~~direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil service examiners; wage administration; and processing, recording, and reporting.~~

SEC. 203. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel services when the ratio of positions for personnel services to the number of full-time, part-time, and intermittent positions which can be financed under funds available to the agency concerned exceeds such ratio as is determined by the Bureau of the Budget to be necessary for the proper performance of the personnel services of the agency: Provided, That this prohibition shall apply to employees who devote 50 per centum or more of their time to administrative services and all or a portion of that time to personnel services performed for civilian employees in the continental United States, comprising direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

TITLE III—GENERAL PROVISIONS

DEPARTMENTS AND AGENCIES

SEC. 301. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year, in accordance with section 16 of the Act of August 2, 1946 (5 U. S. C. 78), for the purchase of any passenger motor vehicle (exclusive of busses, ambulances, and station wagons), is hereby fixed at $1,400.

SEC. 302. Unless otherwise specified and during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act who, being eligible for citizenship, had filed a declaration of intention to become a citizen of the United States prior to such date, or (3) is a person who owes allegiance to the United States: *Provided,* That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further,* That

any person making a false affidavit shall be guilty of a felony and, upon conviction, shall be fined not more than $4,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of the Republic of the Philippines or to nationals of those countries allied with the United States in the prosecution of the war.

(90) ~~SEC. 303. Appropriations for the executive departments and independent establishments for the current fiscal year available for travel expenses shall be available for the payment of per diem allowances in lieu of subsistence expenses without regard to the Subsistence Expense Act of 1926, as amended (5 U. S. C. §21–§33), to civilian officers and employees of such departments and establishments while traveling on official business outside the continental limits of the United States and away from their designated posts of duty: *Provided*, That the amount of such allowances shall be determined by the head of the department or independent establishment concerned or by such official as he may designate for the purpose, but shall, in no case, notwithstanding any other provision of law, exceed the maximum established~~

~~by regulations prescribed by the President for the locality in which the travel is performed.~~

SEC. ~~(91)304~~ *303*. Appropriations of the executive departments and independent establishments for the current fiscal year, available for expenses of travel or for the expenses of the activity concerned, are hereby made available for living quarters allowances in accordance with the Act of June 26, 1930 (5 U. S. C. 118a), and regulations prescribed thereunder, and cost-of-living allowances similar to those allowed under section 901 (2) of the Foreign Service Act of 1946, in accordance with and to the extent prescribed by regulations of the President, for all civilian officers and employees of the Government permanently stationed in foreign countries: *Provided*, That the availability of appropriations made to the Department of State for carrying out the provisions of the Foreign Service Act of 1946 shall not be affected hereby.

SEC. ~~(92)305~~ *304*. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve of the nomination of said person.

SEC. ~~(93)306~~ *305*. No part of any appropriation contained in this or any other Act shall be used to pay in excess of $4 per volume for the current and future volumes of the

United States Code Annotated and such volumes shall be purchased on condition and with the understanding that latest published cumulative annual pocket parts issued prior to the date of purchase shall be furnished free of charge, or in excess of $4.25 per volume for the current or future volumes of the Lifetime Federal Digest.

CORPORATIONS

SEC. (94)~~307~~ *306*. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to the Government Corporation Control Act, as amended (31 U. S. C. 841), shall be available, in addition to objects for which such funds are otherwise available, for personal services and rent in the District of Columbia; printing and binding; examination of budgets and estimates of appropriations in the field; travel expenses in accordance with the Standardized Government Travel Regulations, the Subsistence Expense Act of 1926, as amended (except as to per diem rates outside continental United States) and the Act of February 14, 1931, as amended (5 U. S. C. 73a); services in accordance with section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and the objects specified in the sections of this title under the head "Departments and agencies", all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are

made available: *Provided,* That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

SEC. (95)~~308~~ *307.* No part of any funds of or available to any wholly owned Government corporation shall be used for the purchase or construction, or in making loans for the purchase or construction of any office building at the seat of government primarily for occupancy by any department or agency of the United States Government or by any corporation owned by the United States Government.

SEC. (96)~~309~~ *308.* Funds of corporations and agencies, subject to the Government Corporation Control Act, as amended, covered by the provisions of this or any other Act shall be available during the current fiscal year for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672).

SEC. (97)~~310~~ *309.* After June 30, 1949, the corporations or agencies subject to the Government Corporation Control Act, as amended (31 U. S. C. 841), are authorized, with the approval of the Comptroller General, to consolidate, notwithstanding the provisions of any other law, into one or more accounts for banking and checking purposes all cash, including amounts appropriated, from whatever source derived: *Provided,* That such cash, including amounts appro-

priated, of such corporations or agencies shall be expended in accordance with the applicable terms of their respective enabling acts and any other acts applicable to their transactions.

TITLE IV—REDUCTIONS IN APPROPRIATIONS

Amounts available from appropriations and other funds are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this Act, except as otherwise indicated:

FUNDS APPROPRIATED TO THE PRESIDENT

Payments, Armed Forces Leave Act, 1946: $135,000,000.

Overtime, leave, and holiday compensation: The balance remaining unobligated on June 30, 1949, such balance to be carried to the surplus fund and covered into the Treasury immediately thereafter.

FEDERAL WORKS AGENCY

Office of the Administrator: Public works advance planning under title V of the War Mobilization and Reconversion Act of 1944, $4,164,000.

VETERANS' ADMINISTRATION

Administrative facilities: $1,250,000.

Vocational Rehabilitation Revolving Fund: $500,000.

This Act may be cited as the "Independent Offices Appropriation Act, 1950".

Passed the House of Representatives April 14, 1949.

Attest: RALPH R. ROBERTS,
Clerk.

Passed the Senate with amendments August 2 (legislative day, June 2), 1949.

Attest: LESLIE L. BIFFLE,
Secretary.

81ST CONGRESS
1ST SESSION

H. R. 4177

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 2, 1949

Ordered to be printed with the amendments of the Senate numbered

House of Representatives

WEDNESDAY, AUGUST 3, 1949

The House met at 12 o'clock noon.

The Acting Chaplain, Rev. James P. Wesberry, LL. D., offered the following prayer:

Thou, O Holy Father, hast been our Nation's help in ages past; Thou art her hope for years to come and her shelter from every stormy blast. Through Thine eternal goodness Thou hast laid her foundations of religious and civil liberty. Thou hast given to us a great and goodly heritage of faith, freedom, and heroic sacrifice. It is our humble petition that we may be true to these ideals upon which Thou hast founded and preserved our Nation. May our Nation ever be, as she has been so gloriously in the past, the home of liberty, brotherhood, and justice for all. And to this end we dedicate the opportunities of this day. In the name of Him who came that we, through Him, might have life and have it more abundantly we pray. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4177. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. O'MAHONEY, Mr. RUSSELL, Mr. MCKELLAR, Mr. FERGUSON, Mr. BRIDGES, and Mr. CORDON to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following title:

S. 1076. An act to amend the Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718b), as amended;

S. 1323. An act to declare that the United States holds certain lands in trust for the Pueblo Indians and the Canoncita Navajo group in New Mexico, and for other purposes; and

S. 1745. An act to authorize the transfer to the Attorney General of a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., to supplement the farm lands required for the United States prison system.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1250) entitled "An act to amend the Institute of Inter-American Affairs Act, approved August 5, 1947," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCMAHON, Mr. GREEN, Mr. FULBRIGHT, Mr. WILEY, and Mr. LODGE to be the conferees on the part of the Senate.

EXECUTIVE OFFICE AND SUNDRY INDEPENDENT EXECUTIVE BUREAUS APPROPRIATION BILL, 1950

Mr. THOMAS of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. THOMAS of Texas, GORE, ANDREWS, CANNON, CASE of South Dakota, and PHILLIPS of California.

LOWER SOURIS NATIONAL WILDLIFE REFUGE

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3751) to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., North Dakota, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. THOMPSON, HARE, and WEICHEL.

PERSONAL ANNOUNCEMENT

Mr. BYRNE of New York. Mr. Speaker, on yesterday I was unavoidably detained and was not able to be present when the vote was taken on roll call 150. If I had been present I would have voted "yea."

COMMITTEE ON EDUCATION AND LABOR

Mr. KELLEY. Mr. Speaker, I ask unanimous consent that the subcommittee of the House Committee on Education and Labor may be permitted to sit today during the session of the House during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXTENSION OF REMARKS

Mr. DEGRAFFENRIED asked and was given permission to extend his remarks in the RECORD and include a resolution.

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances and include two items.

Mr. POULSON asked and was given permission to extend his remarks in the RECORD in two instances and include in one an editorial and in the other an editorial from the Washington Post of July 21.

MUNICIPAL COURT, DISTRICT OF COLUMBIA

Mr. MCMILLAN of South Carolina. Mr. Speaker, I ask unanimous consent to file a supplementary report on the bill (H. R. 1370) authorizing the appointment of three additional judges of the municipal court for the District of Columbia, describing the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Committee on Expenditures in the Executive Departments may be permitted to sit during the session of the House today during general debate.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, is that agreeable to both sides?

Mr. PRIEST. I was asked to make the request. I checked with the gentleman from Michigan, who is a member of the committee, and I assume it is agreeable.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Subcommittee on Health, Science, and Commerce of the Committee on Interstate and Foreign Commerce be permitted to sit during the session of the House today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

CONTROL OF EMERGENCY OUTBREAKS OF INSECTS AND PLANT DISEASES

Mr. KERR submitted the following conference report and statement on the

joint resolution (H. J. Res. 327) making an additional appropriation for control of emergency outbreaks of insects and plant diseases:

CONFERENCE REPORT (H. REPT. 1166)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H. J. Res. 327) making an additional appropriation for control of emergency outbreaks of insects and plant diseases, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,750,000"; and the Senate agree to the same.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

CARL HAYDEN,
ELMER THOMAS,
JOSEPH C. O'MAHONEY,
CHAN GURNEY,
GUY CORDON,
MILTON R. YOUNG,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H. J. Res. 327) making an additional appropriation for control of emergency outbreaks of insects and plant diseases, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to such amendment, namely:

Appropriates $1,750,000 for control of emergency outbreaks of insects and plant diseases instead of $1,500,000 as proposed by the House and $3,500,000 as proposed by the Senate.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

Mr. KERR. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on House Joint Resolution 327.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. KERR. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

The conference report was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. HAYS of Arkansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a table.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

MINIMUM-WAGE LEGISLATION

Mr. HAYS of Arkansas. Mr. Speaker, there has been considerable interest in the so-called flexibility feature of the minimum-wage legislation, and at the request of a number of Members I shall include in my remarks a table showing how changes in the cost of living would affect the minimum. There is a controversy as to the amount, whether it shall be 75 cents or 65 cents or some other amount, but in any event it seems to me that it should be governed by the cost of living. If we had had such a provision when the 1938 act was adopted, we would now have a minimum of around 54 cents on one formula or 65 cents on another formula, and we would be spared this unfortunate controversy as to whether or not it is to go to 75 cents, which, in my judgment, is too high.

How changes in the Consumers' Price Index would affect the minimum wage if sec. 6 of H. R. 4272 were adopted

The minimum wage will be—	When the index is—	Percent change in index from 170.2 (average for 12 months ending Oct. 15, 1948)
Cents	*1935-39=100*	
50	130.9	−23.1
51	133.5	−21.6
52	136.2	−20.0
53	138.8	−18.4
54	141.4	−16.9
55	144.0	−15.4
56	146.6	−13.9
57	149.3	−12.3
58	151.9	−10.8
59	154.5	−9.2
60	157.1	−7.7
61	159.7	−6.2
62	162.3	−4.6
63	165.0	−3.1
64	167.6	−1.5
[1] 65	170.2	0
66	172.8	1.5
67	175.4	3.1
68	178.1	4.6
69	180.7	6.2
70	183.3	7.7
71	185.9	9.2
72	188.5	10.8
73	191.1	12.3
74	193.8	13.9
75	196.4	15.4
76	199.0	16.9
77	201.6	18.4
78	204.2	20.0
79	206.9	21.6
80	209.5	23.1

[1] Proposed 1949 minimum wage.

Mr. Speaker, the Legislative Reference Service has prepared a Public Affairs Bulletin entitled "The Question of a Flexible Statutory Minimum Wage." Gustav Peck, of the Library staff, has assembled all of the arguments, pro and con, for tying the minimum wage to the cost of living index. He also discusses other proposed methods for obtaining the necessary flexibility in a statutory minimum wage.

Mr. Peck's study will be of particular interest to Members who favor the principle of flexibility in minimum-wage legislation. When this legislation is considered by the House an amendment to the Lesinski bill establishing a rigid 75-cent minimum will be offered by the gentleman from Texas [Mr. LUCAS]. This amendment establishes the minimum at 65 cents but provides that it shall increase or decrease in relation to the consumer's price index. In no event shall the minimum be less than 50 cents an hour.

Under permission to extend my remarks, I wish to include in the RECORD the following excerpts from Mr. Peck's study:

The basic argument for a flexible minimum wage is the universal experience that prices and the cost of living do fluctuate and that a given amount of money—say 75 cents per hour—has entirely different material content at different times. For instance, average hourly earnings in all manufacturing industries in 1938–39, when the 25-cent minimum rate became operative, were only 63 cents. The difference between those earnings and the average hourly earnings in the first half of 1949, which were $1.37, is 74 cents per hour. But this does not mean that the real earnings of the average factory employee have more than doubled. About 70 percent of this increase represents the lower buying power of the dollar now as compared with 1939. Only 22 out of the 74-cent increase represents the increase in the goods and services available to the average factory worker after a period of 10 years. The reverse would be true if the cost of living were to go down to the level of 1938–39. If that were to happen and money wages were to remain fixed, there would be an increase of approximately 70 percent in the real income of wage earners.

The question is not whether the receipt of such an increase in real income would be a good or bad thing in itself but rather whether a 70-percent decline in prices (and some concomitant decline in production) could support the payment of 75 cents per hour for the least skilled and least experienced workers, when average workers earn traditionally twice the minimum and skilled workers and mechanics three to four times the minimum.

Pegging minimum wages at a relatively high level before a general and substantial decline in prices and the cost of living, has never been experienced since the establishment of minimum wages by States and by the Federal Government. Our whole experience has been with statutory (or wage board) minimum wages lagging behind rising prices and actual wages and the belated efforts of wage boards and the Congress to fix statutory minimum wages at some higher point at which competition and higher prices had already driven minimum wages in most establishments.

* * * * *

In all previous periods of recession wage rates have not gone down as much as prices. This is likely to be true in any future business recession. Under these conditions the purchasing power of prevailing wages actually increases while unemployment grows. If the money wage at the minimum is pegged by a fixed statutory minimum wage, the buying power of those still employed at that wage would be higher yet; but it is reasonable to surmise that the squeeze on employment between fixed money wages and declining prices would be greater. Only a reversal of the price trend would lessen the squeeze on employment. Assuming also that the relationship between wages at the minimum and above the minimum will not be greatly altered, the squeeze on employment would, of course, be felt among all classes of labor.

The theory of a statutory minimum wage is to take out of competition and make compulsory the payment of a wage to the least experienced and least efficient workers high enough to enable them to purchase the common necessities of life. In State legislation a list of these necessities is agreed upon and then they are priced to determine the amount of money required to purchase these items. The minimum wage is set at this figure. The Federal law proceeded by less direct methods; but this too purported to establish a basic standard of real goods and services. The standards adopted are necessarily modest because it is not desired to

81st Congress } HOUSE OF REPRESENTATIVES { Report
1st Session } { No. 1262

INDEPENDENT OFFICES APPROPRIATION BILL, 1950

August 12, 1949.—Ordered to be printed

Mr. Thomas of Texas, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 4177]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureau, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 9, 33, 43, 45, 53 and 87.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 5, 6, 8, 14, 16, 17, 19, 21, 22, 24, 25, 27, 28, 31, 34, 35, 38, 39, 40, 48, 49, 50, 55, 57, 59, 62, 64, 65, 68, 69, 70, 71, 73, 75, 78, 79, 80, 81, 83, 84, 88, 90, 91, 92, 93, 94, 95, 96 and 97, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$3,300,000*; and the Senate agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows:

In lieu of the number inserted by said amendment insert *two*; and the Senate agree to the same.

Amendment numbered 10:

That the House reeede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$50,000*; and the Senate agree to the same.

Amendment numbered 12:

That the House reeede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$16,000,000*; and the Senate agree to the same.

Amendment numbered 15:

That the House reeede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$301,290,728*; and the Senate agree to the same.

Amendment numbered 18:

That the House reeede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows:

In lieu of the matter inserted by said amendment insert *purchase (not to exceed twenty), and*; and the Senate agree to the same.

Amendment numbered 20:

That the House reeede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$6,600,000*; and the Senate agree to the same.

Amendment numbered 23:

That the House reeede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$3,700,000*; and the Senate agree to the same.

Amendment numbered 26:

That the House reeede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$330,000*; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$3,650,000*; and the Senate agree to the same.

Amendment numbered 30:

That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$315,000*; and the Senate agree to the same.

Amendment numbered 36:

That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$385,000,000*; and the Senate agree to the same.

Amendment numbered 37:

That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$236,509,000;* and the Senate agree to the same.

Amendment numbered 41:

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$33,500,000;* and the Senate agree to the same.

Amendment numbered 42:

That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$1,570,000;* and the Senate agree to the same.

Amendment numbered 44:

That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows:

In lieu of the matter stricken out and inserted by said amendment insert:

Salaries and expenses: For necessary expenses of the Office of the Administrator, including personal services and rent in the District of Columbia; printing and binding; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); expenses of attendance at meetings of organizations concerned with the work of the Agency; payment of tort claims pursuant to law (28 U. S. C. 2672); a health service program as authorized by law (5 U. S. C. 150); $1,200,000.

And the Senate agree to the same.

Amendment numbered 47:

That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$9,600,000*; and the Senate agree to the same.

Amendment numbered 51:

That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$43,000,000*; and the Senate agree to the same.

Amendment numbered 58:

That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$8,500,000*; and the Senate agree to the same.

Amendment numbered 60:

That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$1,237,500*; and the Senate agree to the same.

Amendment numbered 61:

That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$63,014,174*; and the Senate agree to the same.

Amendment numbered 66:

That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$425,000*; and the Senate agree to the same.

Amendment numbered 67:

That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$480,000*; and the Senate agree to the same.

Amendment numbered 72:

That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$855,000,000*; and the Senate agree to the same.

Amendment numbered 82:

That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment as follows:

In lieu of the matter stricken out and inserted by said amendment insert:

Sec. 110. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel

work in excess of the number that would be provided by a ratio of one such employee to one hundred and fifteen, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: Provided, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

And the Senate agree to the same.

Amendment numbered 86:

That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert *$22,500,000*; and the Senate agree to the same.

Amendment numbered 89:

That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment as follows:

In lieu of the matter stricken out and inserted by said amendment insert:

SEC. 203. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and fifteen, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: Provided, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 7, 7½, 11, 13, 32, 46, 52, 54, 56, 63, 74, 76, 77, and 85.

ALBERT THOMAS,
ALBERT GORE,
GEORGE ANDREWS,
CLARENCE CANNON,
FRANCIS CASE,
JOHN PHILLIPS,
Managers on the Part of the House.

JOSEPH C. O'MAHONEY,
RICHARD B. RUSSELL,
KENNETH MCKELLAR,
ELMER THOMAS,
HOMER FERGUSON,
GUY CORDON,
Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendments Nos. 1 and 2, relating to the Bureau of the Budget: Strikes out the proposal of the House to fix the salary of the Director at $12,000 per annum, as proposed by the Senate; and appropriates $3,300,000 for salaries and expenses, instead of $3,314,500 as proposed by the Senate, and $2,983,050, as proposed by the House.

Amendment No. 3: Appropriates $300,000 for salaries and expenses, Council of Economic Advisers, as proposed by the House, instead of $340,000, as proposed by the Senate.

Amendments Nos. 4 and 5, relating to the American Battle Monuments Commission: Authorizes the purchase of two passenger motor vehicles, including one at not to exceed $2,500, instead of one, as proposed by the House, and three, including one at not to exceed $2,500, as proposed by the Senate.

Amendment No. 6: Continues available unexpended balances of the Atomic Energy Commission as of June 30, 1949, as proposed by the Senate, instead of continuing available unobligated balances, as proposed by the House. It is the recommendation of the conferees that in the expenditure or commitment of funds or contract authorization provided in the bill, the Commission shall adhere to the program break-down set forth in the budget estimates, after applying reductions made therein by the Congress on a proportionate basis, and that in no event shall the Commission, through transfer, exceed by more than 10 percent the amount allocated under said budget estimates, as revised, for any particular program. It was further agreed that in the event the Commission proposes an increase in the allocation for any program it shall immediately advise the Committees on Appropriations of the House and the Senate, giving details and the reasons for such transfer. The conference committee has noted with concern what appears to be excessive fees for management services being paid by the Commission to management corporations and directs that an immediate effort be made by the Commission to accomplish substantial reductions in such fees or their elimination.

Amendments Nos. 7 and 7½ are reported in disagreement.

Amendment No. 8: Strikes out the proposal of the House to provide salaries for the Commissioners of the Civil Service Commission at $12,000 each per annum, as proposed by the Senate.

Amendment No. 9: Strikes out the provision of the Senate requiring that experts and consultants employed by the Civil Service Commission shall be secured from the Federal service.

Amendment No. 10: Provides $50,000 to the Civil Service Commission for enforcement of the act of July 19, 1940 (54 Stat. 767), instead of $40,000 as proposed by the House, and $60,000 as proposed by the Senate.

Amendment No. 11 is reported in disagreement.

Amendment No. 12: Appropriates $16,000,000 for salaries and expenses, Civil Service Commission, instead of $14,000,000 as proposed by the House, and $16,250,000, as proposed by the Senate.

Amendment No. 13 is reported in disagreement.

Amendment No. 14: Appropriates $5,894,300, as proposed by the Senate, instead of $5,304,870 as proposed by the House, for payment of annuities in connection with the Panama Canal Construction Annuity Fund.

Amendment No. 15: Appropriates $301,290,728 for financing the liability of the United States in connection with the Civil Service Retirement and Disability Fund, instead of $295,553,700, as proposed by the House, and $328,393,000, as proposed by the Senate.

Amendment No. 16: Appropriates $999,000 for financing the liability of the United States in connection with the Canal Zone Retirement and Disability Fund as proposed by the Senate, instead of $899,100, as proposed by the House.

Amendment No. 17: Appropriates $215,000 for financing the liability of the United States in connection with the Alaska Railroad Retirement and Disability Fund, as proposed by the Senate, instead of $193,500, as proposed by the House.

Amendment No. 18: Provides for the purchase of not to exceed 20 passenger-carrying motor vehicles in connection with the activities of the Displaced Persons Commission, instead of 30, as proposed by the Senate.

Amendments Nos. 19 and 20, relating to the Federal Communications Commission: Strikes out the proposal of the House to increase the salaries of Commissioners to $12,000 each per annum, as proposed by the Senate; and appropriates $6,600,000 for salaries and expenses of the Commission, instead of $6,525,000 as proposed by the House, and $6,633,000, as proposed by the Senate.

Amendments Nos. 21, 22, 23, 24, 25, 26, and 27, relating to the Federal Power Commission: Strikes out the provision of the House providing for salaries of the Commissioners at $12,000 each per annum, as proposed by the Senate; authorizes the use of $230,000 for travel as proposed by the Senate, instead of $220,000, as proposed by the House; appropriates $3,700,000 for salaries and expenses of the Commission, instead of $3,650,000 as proposed by the House, and $3,763,000 as proposed by the Senate; strikes out the provision of the House placing a limit on funds available for personal services in the District of Columbia in connection with appropriations for salaries and expenses and flood-control surveys, as proposed by the Senate; and appropriates $330,000 for flood-control surveys instead of $325,000, as proposed by the House, and $337,000, as proposed by the Senate.

Amendments Nos. 28 and 29 relating to the Federal Trade Commission: Strikes out the provision of the House to increase the salaries of the Commissioners to $12,000 per annum each, as proposed by the

Senate; and appropriates $3,650,000 for salaries and expenses, instead of $3,450,000, as proposed by the House, and $3,739,000, as proposed by the Senate.

Amendment No. 30: Appropriates $315,000 for salaries and expenses, Office of the Administrator, Federal Works Agency, instead of $300,000, as proposed by the House, and $325,000, as proposed by the Senate.

Amendment No. 31, relating to Public Works Administration liquidation: Authorizes the use of $20,000 for administrative expenses in connection with Public Works Administration liquidation, as proposed by the Senate, instead of $15,500, as proposed by the House.

Amendment No. 32 is reported in disagreement.

Amendment No. 33: Strikes out the provision of the Senate providing $30,000 for the conservation of securities in connection with Public Works Administration liquidation, as proposed by the House.

Amendments Nos. 34 and 35: Strikes out provisions of the House increasing the salaries of the Commissioners of Public Buildings and Public Roads to $12,000 per annum each, as proposed by the Senate.

Amendments Nos. 36 and 37, relating to Federal-aid postwar highways: Appropriates $385,000,000, instead of $373,491,000 plus an unobligated balance, as proposed by the House, and $390,000,000, as proposed by the Senate; and corrects the total of the amount chargeable to the appropriate fiscal year authorization accordingly.

Amendment No. 38, relating to veterans' educational facilities, Bureau of Community Facilities, Federal Works Agency: Strikes out the proposal of the House reducing the limitation on administrative expenses to $3,800,000, as proposed by the Senate.

Amendments Nos. 39 and 40, relating to water-pollution control, Bureau of Community Facilities, Federal Works Agency: Appropriates $200,000 for grants for plan preparation, as proposed by the Senate, instead of $400,000, as proposed by the House; and appropriates $50,000 for administrative expenses, as proposed by the Senate, instead of $100,000, as proposed by the House.

Amendments Nos. 41, 42, and 43, relating to the General Accounting Office: Appropriates $33,500,000 for salaries, instead of $31,743,000, as proposed by the House, and $34,169,000, as proposed by the Senate; appropriates $1,570,000 for miscellaneous expenses, instead of $1,423,800, as proposed by the House, and $1,582,000, as proposed by the Senate; and strike out the proposal of the Senate to provide $800,000 for agency expenditure analysis.

Amendment No. 44, relating to salaries and expenses, Office of the Administrator, Housing and Home Finance Agency. Appropriates $1,200,000 for this office and inserts the language of the Senate amended to eliminate the authorization of funds for purchase of one passenger motor vehicle and the dissemination of the results of research and studies.

Amendment No. 45: Restores the provision of the House, in connection with annual contributions, Public Housing Administration, prohibiting payments in lieu of taxes in excess of the amounts specified in the original contract between public-housing agencies and the Public Housing Administration.

Amendment No. 46 is reported in disagreement.

Amendments Nos. 47, 48, and 49 relating to the Interstate Commerce Commission: Appropriates $9,600,000 for general expenses,

instead of $9,321,000, as proposed by the House, and $9,621,000, as proposed by the Senate; provides $100,000 for valuations of pipe lines as proposed by the Senate, instead of $35,000, as proposed by the House; and makes available $3,656,039 for work of the Bureau of Motor Carriers, as proposed by the Senate, instead of $3,556,039, as proposed by the House.

Amendments Nos. 50 and 51: Corrects a typographical error by inserting the word "including", as proposed by the Senate; and appropriates $43,000,000 for salaries and expenses, National Advisory Committee for Aeronautics, instead of $38,710,000, as proposed by the House, and $43,610,000, as proposed by the Senate.

Amendment No. 52 is reported in disagreement.

Amendment No. 53: Appropriates $10,000,000 for construction and equipment, National Advisory Committee for Aeronautics, as proposed by the House, instead of $10,100,000, as proposed by the Senate.

Amendment No. 54 is reported in disagreement.

Amendment No. 55: Appropriates $34,900 for maintenance and operation of properties, National Capital Housing Authority, as proposed by the Senate, instead of $31,410, as proposed by the House.

Amendment No. 56 is reported in disagreement.

Amendment No. 57 strikes out the provision of the House increasing the salaries of the Commissioners, Securities and Exchange Commission, to $12,000 each per annum, as proposed by the Senate.

Amendment No. 58: Appropriates $8,500,000 for salaries and expenses, Selective Service System, instead of $4,500,000, as proposed by the House, and $9,000,000, as proposed by the Senate.

Amendment No. 59: Appropriates $1,087,700 for salaries and expenses, National Gallery of Art, as proposed by the Senate, instead of $1,057,700, as proposed by the House.

Amendment No. 60: Appropriates $1,237,500 for salaries and expenses, Tariff Commission, instead of $1,200,000, as proposed by the House, and $1,275,000, as proposed by the Senate.

Amendment No. 61: Provides a total of $63,014,174 for salaries and expenses, Maritime Commission, instead of $62,380,424, as proposed by the House, and $63,054,424, as proposed by the Senate.

Amendment No. 62: Provides a contract authorization of $50,000,000, as proposed by the Senate, instead of $70,125,000, as proposed by the House, for new ship construction including reconditioning and betterment by the Maritime Commission. It is the understanding of the conferees that this authorization and funds provided for new ship construction cover all of the ships requested by the Maritime Commission in the budget submission. Funds for these ships were justified before the Senate and House committees and the Budget. It is understood that there will be no curtailment in the number of ships provided for in the bill.

Amendment No. 63 is reported in disagreement.

Amendment No. 64: Provides that funds and contract authority for new ship construction, including reconditioning and betterment, United States Maritime Commission, contained in the Supplemental Independent Offices Appropriation Act for 1949, shall continue available until December 31, 1949, as proposed by the Senate, instead of September 30, 1949, as proposed by the House.

Amendment No. 65: The conferees have examined at length into the situation involving the purchase of the vessels *Mariposa* and

Monterey by the United States Maritime Commission and feel that is a matter to be left to the sound discretion of the Commission. The conferees are at this time unable to secure any estimate from the Maritime Commission as to what a proper and equitable contract would cost the Government. The conferees, therefore, have requested the Commission to go into the matter immediately and report not later than September 30, 1949, its recommendation with respect to the matter, for consideration by the appropriate legislative committees of the Congress.

Amendments Nos. 66, 67, and 68, relating to operations of the Maritime Commission: Provides $425,000 for maintenance of shipyard facilities, instead of $409,700, as proposed by the House, and $443,700, as proposed by the Senate; provides $480,000 for operation of warehouses instead of $461,550, as proposed by the House, and $501,550, as proposed by the Senate; and provides $7,134,800 for reserve-fleet expense, as proposed by the Senate, instead of $6,534,800, as proposed by the House.

Amendments Nos. 69, 70, and 71, relating to maritime training: Provides $3,065,000, as proposed by the Senate, instead of $1,682,500, as proposed by the House, for personal services; authorizes the transfer of $100,000 to the Public Health Service, as proposed by the Senate, instead of $60,000, as proposed by the House; and provide for the pay of cadet midshipmen and other trainees, as proposed by the Senate.

Amendment No. 72: Appropriates $855,000,000 for administration, medical, hospital, and domiciliary services, Veterans' Administration, instead of $820,673,940, as proposed by the House, and $861,073,940, as proposed by the Senate, the amount provided in the bill containing all additional funds requested for new hospital beds to be put into operation during the present fiscal year according to recent information presented in hearings before the Senate Appropriations Committee. This appropriation also contains additional funds for administrative purposes in connection with the payment of insurance dividends, guidance and counseling work, and other items submitted to the Senate after the bill had passed the House.

Amendment No. 73: Strikes out the proposal of the House that representatives assigned to States in connection with the processing of readjustment allowances, Veterans' Administration, may be assigned to cover more than one State, and inserts the proposal of the Senate requiring that at least one such representative be assigned to and reside in each State.

Amendment No. 74 is reported in disagreement.

Amendment No. 75: Appropriates $467,450,000, as proposed by the Senate, instead of $49,374,000, as proposed by the House, for the National Service Life Insurance Fund.

Amendment No. 76 is reported in disagreement.

Amendment No. 77 is reported in disagreement.

Amendment No. 78: Strikes out the provision of the House that section 107 of the bill shall not be applicable to corporations or agencies subject to the Government Corporation Control Act, as amended. (This subject is further explained in connection with amendment No. 83 of this statement.)

Amendment No. 79: Strikes out the provision of the House relating to the salary of any officer and employee proposed to be increased in the bill as passed by the House.

Amendments Nos. 80 and 81 correct section numbers.

Amendment No. 82: Restores the provisions of the House bill amended to provide that the ratio of employees engaged in personnel work shall not exceed 1 such employee to each 115 employees instead of 1 such employee to each 125 employees, as proposed in the bill as approved in the House.

Amendment No. 83: Inserts the proposal of the Senate relating to the applicability of the general provisions of title I in connection with the Housing and Home Finance Agency, the Inland Waterways Corporation, and the Tennessee Valley Authority.

Amendment No. 84 corrects a typographical error.

Amendment No. 85 is reported in disagreement.

Amendment No. 86: Provides $22,500,000 for administrative expenses, Federal Housing Administration, instead of $21,860,750, as proposed by the House, and $22,860,750, as proposed by the Senate.

Amendment No. 87: Restores the provision of the House authorizing the Administrator of the Housing and Home Finance Agency to relinquish and transfer certain temporary housing provided for veterans and their families under title V of the act of October 14, 1940, as amended.

Amendment No. 88 corrects a typographical error.

Amendment No. 89: Restores the provisions of the House bill amended to provide that the ratio of employees engaged in personnel work shall not exceed 1 such employee to each 115 employees instead of 1 such employee to each 125 employees, as proposed in the bill as approved by the House.

Amendment No. 90: Strikes out the provision of the House relating to the availability of appropriations to the executive departments and independent establishments of appropriations for travel expense for payment of per diem allowances, as proposed by the Senate.

Amendments Nos. 91, 92, 93, 94, 95, 96, and 97 correct section numbers.

AMENDMENTS IN DISAGREEMENT

The managers on the part of the House have authorized the following motions with respect to amendments in disagreement:

Amendment No. 7, relating to the acquisition of land and facilities by the Atomic Energy Commission at Arco, Idaho: The managers on the part of the House will move to recede and concur.

Amendment No. 7½, placing certain limitations on construction projects of the Atomic Energy Commission: It is the understanding of the conferees that the provisions of the last proviso of this amendment do not apply to any construction project the total estimated cost of which does not exceed $500,000. The managers on the part of the House will move to recede and concur.

Amendment No. 11, authorizing the Civil Service Commission to transfer funds to the Federal Bureau of Investigation for certain investigations: The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 13, relating to appointment of members of boards of examiners, Civil Service Commission: The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 32, relating to the use of funds for administrative expenses in connection with the city of East Peoria sewage project,

Public Works Administration liquidation: The managers on the part of the House will move to recede and concur.

Amendment No. 46, relating to the Office of the Housing Expediter: The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 52, relating to the acquisition of land by the National Advisory Committee for Aeronautics: The managers on the part of the House will move to recede and concur.

Amendment No. 54, relating to salaries and expenses, war records, National Archives: The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 56, relating to land acquisition, National Capital Park and Planning Commission: The managers on the part of the House will move to recede and concur.

Amendment No. 63, relating to new ship construction, United States Maritime Commission: The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 74, relating to the education or training of certain veterans: The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 76, relating to grants to the Republic of the Philippines for hospitals and medical care of certain veterans: The managers on the part of the House will move to recede and concur.

Amendment No. 77, relating to the use of funds appropriated to the Atomic Energy Commission to confer fellowships: The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 85, relating to the liquidation of accounts by the Home Owners' Loan Corporation: The managers on the part of the House will move to recede and concur with an amendment.

ALBERT THOMAS,
ALBERT GORE,
GEORGE ANDREWS,
CLARENCE CANNON,
FRANCIS CASE,
JOHN PHILLIPS,
Managers on the Part of the House.

○

Mr. HAYDEN. I will say to the Senator that the committee amendments up to that point have been agreed to.

Mr. WHERRY. I thank the Senator for expediting the consideration of the bill.

Mr. HAYDEN. I now renew my motion that the Senate take a recess.

The motion was agreed to; and (at 6 o'clock and 11 minutes p. m.) the Senate took a recess until Monday, August 15, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 12 (legislative day of June 2), 1949:

MUNITIONS BOARD

Carl A. Ilgenfritz, of Pennsylvania, to be Chairman of the Munitions Board.

CHIEF OF STAFF, UNITED STATES ARMY

Gen. Joseph Lawton Collins, United States Army, for appointment as Chief of Staff, United States Army.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 12 (legislative day of June 2), 1949:

DEPARTMENT OF LABOR

Philip M. Kaiser to be Assistant Secretary of Labor.

THE TAX COURT OF THE UNITED STATES

Miss Marion J. Harron to be judge of the Tax Court of the United States, for a term of 12 years from June 2, 1948.

House of Representatives

FRIDAY, AUGUST 12, 1949

The House met at 12 o'clock noon.

The Acting Chaplain, the Reverend James P. Wesberry, pastor, Morningside Baptist Church, Atlanta, Ga., offered the following prayer:

O Thou who hast made of one blood all the nations that dwell upon the earth, deliver us, we entreat Thee, from intolerance, selfishness, and unkindness. Make us friendly with those with whom we do not always agree and who do not always agree with us. Give us magnanimity of soul that transcends all barriers of race, color, and creed. As we would that men should do unto us, may we likewise do unto them. Imbue us, Holy Father, Lord of heaven and of earth, with the spirit of Christ who taught us to love our enemies, to bless them that curse us, to do good to them that hate us, and to pray for them which despitefully use us and persecute us, that we may be the children of our Father which is in heaven, for Thou makest the sun to shine on the evil and on the good, and sendeth rain on the just and the unjust. In our blessed Saviour's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had adopted the following resolution (S. Res. 153):

Resolved, That the House of Representatives be, and it is hereby, requested to return to the Senate the bill (S. 51) to amend title 28, United States Code, section 962, so as to authorize reimbursement for official travel by privately owned automobiles by officers and employees of the courts of the United States and of the Administrative Office of the United States Courts at a rate not exceeding 7 cents per mile.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

CORRECTION OF ROLL CALL

Mr. RICH. Mr. Speaker, on roll call 175 I am marked absent. I was present and answered to my name shortly after it was called. The Clerk recognized me and I thought that he was marking me present, but he did not. Therefore, Mr. Speaker, I ask unanimous consent that the RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXTENSION OF REMARKS

Mr. WILSON of Texas asked and was given permission to extend his remarks in the RECORD and include an editorial.

INDEPENDENT OFFICES APPROPRIATION ACT, 1950—CONFERENCE REPORT

Mr. THOMAS of Texas. Mr. Speaker, I ask unanimous consent that the House conferees on the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, may have until midnight tonight to file a conference report and statement.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The conference report and statement follow:

CONFERENCE REPORT (H. REPT. No. 1262)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 9, 33, 43, 45, 53, and 87.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 5, 6, 8, 14, 16, 17, 19, 21, 22, 24, 25, 27, 28, 31, 34, 35, 38, 39, 40, 48, 49, 50, 55, 57, 59, 62, 64, 65, 68, 69, 70, 71, 73, 75, 78, 79, 80, 81, 83, 84, 88, 90, 91, 92, 93, 94, 95, 96, and 97, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,300,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the number inserted by said amendment insert "two"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$50,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$16,000,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$301,290,728"; and the Senate agree to same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert "purchase (not to exceed twenty), and"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$6,600,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,700,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$330,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,650,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$315,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$385,000,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$236,509,000"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$33,500,000"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,570,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert:

"Salaries and expenses: For necessary expenses of the Office of the Administrator, including personal services and rent in the District of Columbia; printing and binding; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); expenses of attendance at meetings of organizations concerned with the work of the Agency; payment of tort claims pursuant to law (28 U. S. C. 2672); a health service program as authorized by law (5 U. S. C. 150); $1,200,000."

And the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$9,600,000"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$43,000,000"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$8,500,000"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,237,500"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$63,014,174"; and the Senate agree to the same.

Amendment numbered 66: That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$425,000"; and the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$480,000"; and the Senate agree to the same.

Amendment numbered 72: That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$855,000,000"; and the Senate agree to the same.

Amendment numbered 82: That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert:

"SEC. 110. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and fifteen, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting."

And the Senate agree to the same.

Amendment numbered 86: That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$22,500,000"; and the Senate agree to the same.

Amendment numbered 89: That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert:

"SEC. 203. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and fifteen, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting."

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 7, 7½, 11, 13, 32, 46, 52, 54, 56, 63, 74, 76, 77 and 85.

ALBERT THOMAS,
ALBERT GORE,
GEORGE ANDREWS,
CLARENCE CANNON,
FRANCIS CASE,
JOHN PHILLIPS,
Managers on the Part of the House.

JOSEPH C. O'MAHONEY,
RICHARD B. RUSSELL,
KENNETH MCKELLAR,
ELMER THOMAS,
HOMER FERGUSON,
GUY CORDON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendments Nos. 1 and 2, relating to the Bureau of the Budget: Strikes out the proposal of the House to fix the salary of the Director at $12,000 per annum, as proposed by the Senate; and appropriates $3,300,000 for salaries and expenses, instead of $3,314,500, as proposed by the Senate, and $2,983,050, as proposed by the House.

Amendment No. 3: Appropriates $300,000 for salaries and expenses, Council of Economic Advisers, as proposed by the House, instead of $340,000, as proposed by the Senate.

Amendments Nos. 4 and 5, relating to the American Battle Monuments Commission: Authorizes the purchase of two passenger motor vehicles, including one at not to exceed $2,500, instead of one, as proposed by the House, and three, including one at not to exceed $2,500, as proposed by the Senate.

Amendment No. 6: Continues available unexpended balances of the Atomic Energy Commission as of June 30, 1949, as proposed by the Senate, instead of continuing available unobligated balances, as proposed by the House. It is the recommendation of the conferees that in the expenditure or commitment of funds or contract authorization provided in the bill, the Commission shall adhere to the program breakdown set forth in the budget estimates, after applying reductions made therein by the Congress on a proportionate basis, and that in no event shall the Commission, through transfer, exceed by more than 10 percent the amount allocated under said budget estimates, as revised, for any particular program. It was further agreed that in the event the Commission proposes an increase in the allocation for any program it shall immediately advise the Committees on Appropriations of the House and the Senate, giving details and the reasons for such transfer. The conference committee has noted with concern what appear to be excessive fees for management services being paid by the Commission to management corporations and directs that an immediate effort be made by the Commission to accomplish substantial reductions in such fees or their elimination.

Amendments Nos. 7 and 7½ are reported in disagreement.

Amendment No. 8: Strikes out the proposal of the House to provide salaries for the Commissioners of the Civil Service Commission at $12,000 each per annum, as proposed by the Senate.

Amendment No. 9: Strikes out the provision of the Senate requiring that experts and consultants employed by the Civil Service Commission shall be secured from the Federal service.

Amendment No. 10: Provides $50,000 to the Civil Service Commission for enforcement of the act of July 19, 1940 (54 Stat. 767), instead of $40,000 as proposed by the House, and $60,000 as proposed by the Senate.

Amendment No. 11 is reported in disagreement.

Amendment No. 12: Appropriates $16,000,000 for salaries and expenses, Civil Service Commission, instead of $14,000,000 as proposed by the House, and $16,250,000, as proposed by the Senate.

Amendment No. 13 is reported in disagreement.

Amendment No. 14: Appropriates $5,894,300, as proposed by the Senate, instead of $5,304,870 as proposed by the House, for payment of annuities in connection with the Panama Canal Construction Annuity Fund.

Amendment No. 15: Appropriates $301,290,728 for financing the liability of the United States in connection with the Civil Service Retirement and Disability Fund, instead of $295,553,700, as proposed by the House, and $328,393,000, as proposed by the Senate.

Amendment No. 16: Appropriates $999,000 for financing the liability of the United States in connection with the Canal Zone Retirement and Disability Fund as proposed by the Senate, instead of $899,100, as proposed by the House.

Amendment No. 17: Appropriates $215,000 for financing the liability of the United States in connection with the Alaska Railroad Retirement and Disability Fund, as proposed by the Senate, instead of $193,500, as proposed by the House.

Amendment No. 18: Provides for the purchase of not to exceed 20 passenger-carrying motor vehicles in connection with the activities of the Displaced Persons Commission, instead of 30, as proposed by the Senate.

Amendments Nos. 19 and 20, relating to the Federal Communications Commission: Strikes out the proposal of the House to

increase the salaries of Commissioners to $12,000 each per annum, as proposed by the Senate; and appropriates $6,600,000 for salaries and expenses of the Commission, instead of $6,525,000 as proposed by the House, and $6,633,000, as proposed by the Senate.

Amendments Nos. 21, 22, 23, 24, 25, 26, and 27, relating to the Federal Power Commission: Strikes out the provision of the House providing for salaries of the Commissioners at $12,000 each per annum, as proposed by the Senate; authorizes the use of $230,000 for travel as proposed by the Senate, instead of $220,000, as proposed by the House; appropriates $3,700,000 for salaries and expenses of the Commission, instead of $3,650,000 as proposed by the House, and $3,763,000 as proposed by the Senate; strikes out the provision of the House placing a limit on funds available for personal services in the District of Columbia in connection with appropriations for salaries and expenses and flood-control surveys, as proposed by the Senate; and appropriates $330,000 for flood-control surveys instead of $325,000, as proposed by the House, and $337,000, as proposed by the Senate.

Amendments Nos. 28 and 29 relating to the Federal Trade Commission: Strikes out the provision of the House to increase the salaries of the Commissioners to $12,000 per annum each, as proposed by the Senate; and appropriates $3,650,000 for salaries and expenses, instead of $3,450,000, as proposed by the House, and $3,739,000, as proposed by the Senate.

Amendment No. 30: Appropriates $315,000 for salaries and expenses, Office of the Administrator, Federal Works Agency, instead of $300,000, as proposed by the House, and $325,000, as proposed by the Senate.

Amendment No. 31 relating to Public Works Administration liquidation: Authorizes the use of $20,000 for administrative expenses in connection with Public Works Administration liquidation, as proposed by the Senate, instead of $15,500 as proposed by the House.

Amendment No. 32 is reported in disagreement.

Amendment No. 33: Strikes out the provision of the Senate providing $30,000 for the conservation of securities in connection with Public Works Administration liquidation, as proposed by the House.

Amendments Nos. 34 and 35: Strikes out provisions of the House increasing the salaries of the Commissioners of Public Buildings and Public Roads to $12,000 per annum each, as proposed by the Senate.

Amendments Nos. 36 and 37, relating to Federal-aid postwar highways: Appropriates $385,000,000, instead of $373,491,000 plus an unobligated balance as proposed by the House, and $390,000,000, as proposed by the Senate; and corrects the total of the amount chargeable to the appropriate fiscal year authorization accordingly.

Amendment No. 38, relating to veterans' educational facilities, Bureau of Community Facilities, Federal Works Agency: Strikes out the proposal of the House reducing the limitation on administrative expenses to $3,800,000, as proposed by the Senate.

Amendments Nos. 39 and 40, relating to water-pollution control, Bureau of Community Facilities, Federal Works Agency: Appropriates $200,000 for grants for plan preparation, as proposed by the Senate, instead of $400,000, as proposed by the House; and appropriates $50,000 for administrative expenses, as proposed by the Senate, instead of $100,000, as proposed by the House.

Amendments Nos. 41, 42, and 43, relating to the General Accounting Office: Appropriates $33,500,000 for salaries, instead of $31,743,000, as proposed by the House, and $34,169,000, as proposed by the Senate; appropriates $1,570,000 for miscellaneous expenses, instead of $1,423,800, as proposed by the House, and $1,582,000, as proposed by the Senate; and strike out the proposal of the Senate to provide $800,000 for agency expenditure analysis.

Amendment No. 44, relating to salaries and expenses, Office of the Administrator, Housing and Home Finance Agency. Appropriates $1,200,000 for this office and inserts the language of the Senate amended to eliminate the authorization of funds for purchase of one passenger motor vehicle and the dissemination of the results of research and studies.

Amendment No. 45: Restores the provision of the House, in connection with annual contributions, Public Housing Administration, prohibiting payments in lieu of taxes in excess of the amounts specified in the original contract between public housing agencies and the Public Housing Administration.

Amendment No. 46 is reported in disagreement.

Amendments Nos. 47, 48, and 49 relating to the Interstate Commerce Commission: Appropriates $9,600,000 for general expenses, instead of $9,321,000, as proposed by the House, and $9,621,000, as proposed by the Senate; provides $100,000 for valuations of pipe lines as proposed by the Senate, instead of $35,000, as proposed by the House; and makes available $3,656,039 for work of the Bureau of Motor Carriers, as proposed by the Senate, instead of $3,556,039, as proposed by the House.

Amendments Nos. 50 and 51: Corrects a typographical error by inserting the word "including", as proposed by the Senate; and appropriates $43,000,000 for salaries and expenses, National Advisory Committee for Aeronautics, instead of $38,710,000, as proposed by the House, and $43,610,000, as proposed by the Senate.

Amendment No. 52 is reported in disagreement.

Amendment No. 53: Appropriates $10,000,000 for construction and equipment, National Advisory Committee for Aeronautics, as proposed by the House, instead of $10,100,000, as proposed by the Senate.

Amendment No. 54 is reported in disagreement.

Amendment No. 55: Appropriates $34,900 for maintenance and operation of properties, National Capital Housing Authority, as proposed by the Senate, instead of $31,410, as proposed by the House.

Amendment No. 56 is reported in disagreement.

Amendment No. 57 strikes out the provision of the House increasing the salaries of the Commissioners, Securities and Exchange Commission, to $12,000 each per annum, as proposed by the Senate.

Amendment No. 58: Appropriates $8,500,000 for salaries and expenses, Selective Service System, instead of $4,500,000, as proposed by the House, and $9,000,000, as proposed by the Senate.

Amendment No. 59: Appropriates $1,087,700 for salaries and expenses, National Gallery of Art, as proposed by the Senate, instead of $1,057,700, as proposed by the House.

Amendment No. 60: Appropriates $1,237,500 for salaries and expenses, Tariff Commission, instead of $1,200,000, as proposed by the House, and $1,275,000, as proposed by the Senate.

Amendment No. 61: Provides a total of $63,014,174 for salaries and expenses, Maritime Commission, instead of $62,380,424, as proposed by the House, and $63,054,424, as proposed by the Senate.

Amendment No. 62: Provides a contract authorization of $50,000,000, as proposed by the Senate, instead of $70,125,000, as proposed by the House, for new ship construction including reconditioning and betterment by the Maritime Commission. It is the understanding of the conferees that this authorization and funds provided for new ship construction cover all of the ships requested by the Maritime Commission in the budget submission. Funds for these ships were justified before the Senate and House committees and the budget. It is understood that there will be no curtailment in the number of ships provided for in the bill.

Amendment No. 63 is reported in disagreement.

Amendment No. 64: Provides that funds and contract authority for new ship construction, including reconditioning and betterment, United States Maritime Commission, contained in the Supplemental Independent Offices Appropriation Act for 1949, shall continue available until December 31, 1949, as proposed by the Senate, instead of September 30, 1949, as proposed by the House.

Amendment No. 65: The conferees have examined at length into the situation involving the purchase of the vessels *Mariposa* and *Monterey* by the United States Maritime Commission and feel that is a matter to be left to the sound discretion of the Commission. The conferees are at this time unable to secure any estimate from the Maritime Commission as to what a proper and equitable contract would cost the Government. The conferees, therefore, have requested the Commission to go into the matter immediately and report not later than September 30, 1949, its recommendation with respect to the matter, for consideration by the appropriate legislative committees of the Congress.

Amendments Nos. 66, 67, and 68, relating to operations of the Maritime Commission: Provide $425,000 for maintenance of shipyard facilities, instead of $409,700, as proposed by the House, and $443,700, as proposed by the Senate; provides $480,000 for operation of warehouses instead of $461,550, as proposed by the House, and $501,550, as proposed by the Senate; and provides $7,134,800 for reserve-fleet expense, as proposed by the Senate, instead of $6,534,800, as proposed by the House.

Amendments Nos. 69, 70, and 71, relating to Maritime training: Provides $3,065,000, as proposed by the Senate, instead of $1,682,500, as proposed by the House, for personal services; authorizes the transfer of $100,000 to the Public Health Service, as proposed by the Senate, instead of $60,000, as proposed by the House; and provides for the pay of cadet midshipmen and other trainees, as proposed by the Senate.

Amendment No. 72: Appropriates $855,000,000 for administration, medical, hospital, and domiciliary services, Veterans' Administration, instead of $820,673,940, as proposed by the House, and $861,073,940, as proposed by the Senate, the amount provided in the bill containing all additional funds requested for new hospital beds to be put into operation during the present fiscal year according to recent information presented in hearings before the Senate Appropriations Committee. This appropriation also contains additional funds for administrative purposes in connection with the payment of insurance dividends, guidance and counseling work, and other items submitted to the Senate after the bill had passed the House.

Amendment No. 73: Strikes out the proposal of the House that representatives assigned to States in connection with the processing of readjustment allowances, Veterans' Administration, may be assigned to cover more than one State, and inserts the proposal of the Senate requiring that at least one such representative be assigned to and reside in each State.

Amendment No. 74 is reported in disagreement.

Amendment No. 75: Appropriates $467,450,000, as proposed by the Senate, instead of $49,374,000, as proposed by the House, for the National Service Life Insurance Fund.

Amendment No. 76 is reported in disagreement.

Amendment No. 77 is reported in disagreement.

Amendment No. 78: Strikes out the provision of the House that section 107 of the bill shall not be applicable to corporations or agencies subject to the Government Corporation Control Act, as amended. (This subject is further explained in connection with amendment No. 83 of this statement.)

Amendment No. 79: Strikes out the provision of the House relating to the salary of any officer and employee proposed to be increased in the bill as passed by the House.

Amendments Nos. 80 and 81 correct section numbers.

Amendment No. 82: Restores the provisions of the House bill amended to provide that the ratio of employees engaged in personnel work shall not exceed 1 such employee to each 115 employees instead of 1 such employee to each 125 employees, as proposed in the bill as approved in the House.

Amendment No. 83: Inserts the proposal of the Senate relating to the applicability of the general provisions of title I in connection with the Housing and Home Finance Agency, the Inland Waterways Corporation, and the Tennessee Valley Authority.

Amendment No. 84 corrects a typographical error.

Amendment No. 85 is reported in disagreement.

Amendment No. 86: Provides $22,500,000 for administrative expenses, Federal Housing Administration, instead of $21,360,750, as proposed by the House, and $22,860,750, as proposed by the Senate.

Amendment No. 87: Restores the provision of the House authorizing the Administrator of the Housing and Home Finance Agency to relinquish and transfer certain temporary housing provided for veterans and their families under title V of the act of October 14, 1940, as amended.

Amendment No. 88 corrects a typographical error.

Amendment No. 89: Restores the provisions of the House bill amended to provide that the ratio of employees engaged in personnel work shall not exceed 1 such employee to each 115 employees instead of 1 such employee to each 125 employees, as proposed in the bill as approved by the House.

Amendment No. 90: Strikes out the provision of the House relating to the availability of appropriations to the executive departments and independent establishments of appropriations for travel expense for payment of per diem allowances, as proposed by the Senate.

Amendments Nos. 91, 92, 93, 94, 95, 96, and 97 correct section numbers.

AMENDMENTS IN DISAGREEMENT

The managers on the part of the House have authorized the following motions with respect to amendments in disagreement:

Amendment No. 7, relating to the acquisition of land and facilities by the Atomic Energy Commission at Arco, Idaho. The managers on the part of the House will move to recede and concur.

Amendment No. 7½, placing certain limitations on construction projects of the Atomic Energy Commission. It is the understanding of the conferees that the provisions of the last proviso of this amendment do not apply to any construction project the total estimated cost of which does not exceed $500,000. The managers on the part of the House will move to recede and concur.

Amendment No. 11, authorizing the Civil Service Commission to transfer funds to the Federal Bureau of Investigation for certain investigations. The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 13, relating to appointment of members of boards of examiners, Civil Service Commission. The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 32, relating to the use of funds for administrative expenses in connection with the city of East Peoria sewage project, Public Works Administration liquidation. The managers on the part of the House will move to recede and concur.

Amendment No. 46, relating to the Office of the Housing Expediter. The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 52, relating to the acquisition of land by the National Advisory Committee for Aeronautics. The managers on the part of the House will move to recede and concur.

Amendment No. 54, relating to salaries and expenses, war records, National Archives. The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 56, relating to land acquisition, National Capital Park and Planning Commission. The managers on the part of the House will move to recede and concur.

Amendment No. 63, relating to new ship construction, United States Maritime Commission. The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 74, relating to the education or training of certain veterans. The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 76, relating to grants to the Republic of the Philippines for hospitals and medical care of certain veterans. The managers on the part of the House will move to recede and concur.

Amendment No. 77, relating to the use of funds appropriated to the Atomic Energy Commission to confer fellowships. The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 85, relating to the liquidation of accounts by the Home Owners' Loan Corporation. The managers on the part of the House will move to recede and concur with an amendment.

ALBERT THOMAS,
ALBERT GORE,
GEORGE ANDREWS,
CLARENCE CANNON,
FRANCIS CASE,
JOHN PHILLIPS,
Managers on the Part of the House.

EXTENSION OF REMARKS

Mr. ELLIOTT asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. CAVALCANTE asked and was given permission to extend his remarks in the RECORD.

Mr. MITCHELL asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. WILLIAMS asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mrs. BOSONE asked and was given permission to extend her remarks in the RECORD and include a speech on the mining industry by J. C. Jensen.

Mr. FLOOD asked and was given permission to extend his remarks in the RECORD in four instances.

Mr. O'HARA of Illinois asked and was given permission to extend his remarks in the RECORD.

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD and include a news item from London, England, on mental hospitals.

Mr. VELDE asked and was given permission to extend his remarks in the RECORD and include an editorial from the Peoria Star of August 9, 1949, with reference to the recent statement of the State Department on China.

Mr. LEFEVRE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. SMITH of Kansas asked and was given permission to extend his remarks in the RECORD in two instances; in one to include an editorial and in the other a letter.

CORRECTION OF RECORD

Mr. KEATING. Mr. Speaker, I ask unanimous consent that the record be amended in two respects to correct typographical errors as follows:

First. Page 11421, third column, tenth paragraph, thirteenth line, change "it" to "they."

Second. Page 11421, third column, eleventh paragraph, third line, change "Lucas" to "Lesinski."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

BRITISH-AMERICAN SWAGGER STICKS

Mr. GROSS. Mr. Speaker, it has been most interesting to learn in the last few days that staff officers of the United States Army are to be equipped with that great British weapon of war, the swagger stick.

We are told that these swagger sticks are now receiving their finishing touches in the Fort Belvoir paint shop; that each of these sticks, three-eighths inch in diameter and 24 inches in length, requires 10 hours of labor in the paint shop alone.

Who is paying for this labor? You can be sure it is the taxpayers and not the Army officers.

A swagger stick as part of the equipment of an American Army officer is about as necessary as feathers on a bullfrog, and since when did it become necessary that our military men ape the snobbery of the British officer caste system of which this device is a symbol?

I suggest that Secretary of Defense Johnson lose no time in borrowing one of those 5-percent refrigeration units and put this entire nauseating swagger stick business in deep freeze. He might also give consideration to putting Major General Weart, the author of this latest boondoggling, in with the sticks.

SPECIAL ORDER GRANTED

Mr. HAND. Mr. Speaker, I ask unanimous consent that on Wednesday next, after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted, I may address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

EXTENSION OF REMARKS

Mr. FARRINGTON asked and was given permission to extend his remarks in the RECORD and include a letter from the New York Times.

PERMISSION TO ADDRESS THE HOUSE

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

LEGISLATIVE PROGRAM

Mr. HALLECK. Mr. Speaker, I have asked for this time in order to inquire of the majority leader as to the program for today and next week also, if he can announce it at this time.

Mr. McCORMACK. Mr. Speaker, the first order of business today will be the conference report on the bill, S. 1962, relating to cotton-acreage allotments and marketing quotas. Whether or not the independent offices appropriation bill will be ready to report, I am not able to state.

The SPEAKER. The chairman of the subcommittee just asked permission to have until midnight to file the report.

Mr. McCORMACK. That answers that.

The next order of business will be the lobby investigation. Then, there is House Joint Resolution 312, relating to the Haiti Bicentennial, which will follow.

Then the bill relieving the President of certain work, to the extent that we can.

That will be the order of business, to the extent we can go. It is my intention, unless something unexpected arises, of which we are not advised, to adjourn over from today until Monday.

Mr. HALLECK. Can the gentleman inform us as to the program for next week?

Mr. McCORMACK. Yes. On Monday the Consent Calendar will be called. There will be the following suspensions:

H. R. 799, the Weber Basin reclamation project.

S. 855, the Alaska Public Works Act.

House Joint Resolution 87, payments of Finland.

H. R. 2734, monopolies and unlawful restraints.

There is one bill relating to agricultural workers from foreign countries, H. R. 5557. A rule has been reported out on that.

Of course, conference reports will be in order at any time, and, if a rule is reported out on it, the Korea aid bill will be brought up. Then, if the bill is reported from the Committee on Foreign Affairs with reference to military assistance, and a rule is granted, of course that will be brought up.

I am unable to make any statement beyond that. It is all uncertain. It all depends more or less on what arises from time to time.

I am perfectly frank to say that everything was done by the leadership on both sides to get the military-assistance bill out of the committee. I was hopeful that if that had been accomplished, we would be in a position to take action that would be pleasing to the House, and I think the House would be anxious to take that action.

However, that is the situation. Those bills did not come out. As soon as possible, the leadership will bring them up.

I would like to announce further that the fourth deficiency appropriation bill will come up next week. The chairman of the committee informed me that it will be ready on Tuesday.

The SPEAKER. The time of the gentleman from Indiana [Mr. HALLECK] has expired.

TRANSPORTATION OF PASSENGERS AND MERCHANDISE ON CANADIAN VESSELS IN ALASKA

Mr. THOMPSON. Mr. Speaker, at the request of the gentleman from Alabama [Mr. BOYKIN], chairman of the subcommittee, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2634) to provide transportation of passengers and merchandise on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation, with Senate amendments, and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, lines 7 and 8, strike out "and merchandise."

Page 2, line 5, after "transportation", insert ": *Provided*, That such Canadian vessels may transport merchandise between Hyder, Alaska, and other ports and points herein enumerated."

Amend the title so as to read: "An act to provide transportation on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. SABATH. Mr. Speaker, reserving the right to object, I would like to be informed as to what these amendments are and what this is all about.

Mr. BARTLETT. Mr. Speaker, the bill as it passed the House recently provided that Canadian steamships could carry passengers and merchandise to three ports in Alaska.

One of those ports is served only by a small American mail boat and otherwise can be served only by Canadian shipping.

With reference to the other two ports the American service has been quite infrequent. The Senate amendment provided that passengers and merchandise could be carried to the one port where there is altogether inadequate American service, Hyder; but with reference to Haines and Skagway in southeastern Alaska the Senate amendment provided that the ships could carry only passengers. In other words, the effect of the Senate amendment was to strike the word "merchandise" from carriage on the part of Canadian ships to Haines and Skagway.

Mr. SABATH. As a matter of fact, the American companies were objecting to giving the Canadian companies the right to operate in Alaska.

Mr. BARTLETT. I may say that the American shipping company does not object to the form of the bill as it is now before the House; it is perfectly agreeable to having the Canadian shipping companies carry passengers to Haines and Skagway, and passengers and merchandise to Hyder.

Mr. SABATH. That is to one point.

Mr. BARTLETT. That is to one point for passengers, and merchandise and passengers to the other two.

Mr. SABATH. And the American companies have agreed to that?

Mr. BARTLETT. The American company has agreed to that.

Mr. RANKIN. Mr. Speaker, reserving the right to object, Haines and Skagway are both on the Lynn Canal, are they not?

Mr. BARTLETT. The gentleman is correct.

Mr. RANKIN. How far apart are they, approximately?

Mr. BARTLETT. Sixteen miles.

Mr. RANKIN. And the only possible way for American transportation to reach either Haines or Skagway is by boat, is it not?

Mr. BARTLETT. For all practical purposes; yes. Passengers and merchandise could, of course, be shipped over the Alaska Highway to Whitehorse, and thence by railroad to Skagway, but that would be very involved and difficult.

Mr. RANKIN. In order to get American goods into either Haines or Skagway at reasonable rates they have to come by boat?

Mr. BARTLETT. For all practical purposes; yes.

Mr. RANKIN. That is what I mean, for all practical purposes.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

The Senate amendment was agreed to.

COMMITTEE ON FOREIGN AFFAIRS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight Saturday to file a report.

Mr. MARCANTONIO. Mr. Speaker, reserving the right to object, is that on the arms program bill?

Mr. McCORMACK. That is what the understanding is.

Mr. MARCANTONIO. To that I object. The gentleman knows my views about that bill. I will have to object.

COMMITTEE ON RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Com-

Kilburn	Peterson	Smith, Ohio
Kruse	Pfeiffer,	Staggers
Lesinski	William L.	Stanley
Lichtenwalter	Phillips, Calif.	Taylor
Lovre	Phillips, Tenn.	Thomas, N. J.
Lyle	Plumley	Tollefson
McCormack	Powell	Towe
McCulloch	Redden	Vinson
McGregor	Reed, Ill.	Weichel
McKinnon	Reed, N. Y.	Welch, Calif.
McSweeney	Rees	Whitaker
Magee	Riehlman	White, Idaho
Martin, Mass.	Scott, Hardie	Wickersham
Miles	Scott,	Wilson, Ind.
Miller, Nebr.	Hugh D., Jr.	Wilson, Okla.
Morrison	Shafer	Winstead
Morton	Sheppard	Wolverton
Norton	Sikes	Wood
O'Neill	Simpson, Pa.	Woodhouse
Pace	Sims	Worley

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pears:

On this vote:

Mr. McCormack and Mr. McSweeney for, with Mr. Brown of Ohio against.

Mr. Gordon and Mr. Vinson for, with Mr. Reed of Illinois against.

Until further notice:

Mr. Winstead with Mr. Martin of Massachusetts.

Mr. Wickersham with Mr. Cole of New York.

Mr. Denton with Mr. Weichel.

Mr. Baring with Mr. Wolverton.

Mr. Heller with Mr. Towe.

Mr. Price with Mr. Case of New Jersey.

Mr. Fogarty with Mr. Herter.

Mr. Heffernan with Mr. Halleck.

Mr. Magee with Mr. Taylor

Mr. Hart with Mr. Smith of Ohio.

Mr. Breen with Mr. Shafer.

Mr. Wood with Mr. Riehlman.

Mr. Worley with Mr. Phillips of California.

Mr. Hart with Mr. William L. Pfeiffer.

Mr. Gregory with Mrs. Bolton of Ohio.

Mr. Whitaker with Mr. Edwin Arthur Hall.

Mr. Bolling with Mr. Wilson of Indiana.

Mr. Sikes with Mr. Welch of California.

Mr. Sheppard with Mr. Eaton.

Mr. Kennedy with Mr. Hardie Scott.

Mr. Davies of New York with Mr. Hinshaw.

Mr. Feighan with Mr. Allen of Illinois.

Mr. Buckley of New York with Mr. Auchincloss.

Mr. Bailey with Mr. Lichtenwalter.

Mr. Abbitt with Mr. McGregor.

Mr. Barden with Mr. Coudert.

Mrs. Norton with Mr. Gamble.

Mr. O'Neill with Mr. Hugh D. Scott, Jr.

Mr. Chatham with Mr. Reed of New York.

Mr. Burnside with Mr. Dolliver.

Mr. Burton with Mr. Elston.

Mr. DeGraffenried with Mr. Jenison.

Mr. Herlong with Mr. Kearney.

Mr. Hardy with Mr. Simpson of Pennsylvania.

Mr. Staggers with Mr. Morton.

Mr. Whitaker with Mr. Lovre.

Mr. Gilmer with Mr. McCulloch.

Mrs. Bosone with Mr. Gwinn.

Mr. Redden with Mr. Plumley.

Mr. Hébert with Mr. Kilburn.

Mr. Stanley with Mr. Fellows.

Mr. Lesinski with Mr. Hale.

Mr. Kruse with Mr. Tollefson.

Mr. Irving with Mr. Rees of Kansas.

Mr. Jacobs with Mr. Phillips of Tennessee.

Mrs. Woodhouse with Mr. Miller of Nebraska.

Mr. Pace with Mr. Keefe.

Mr. FALLON changed his vote from "yea" to nay."

Mr. GREEN changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

EDUCATION OF IRANIAN STUDENTS IN THE UNITED STATES

Mr. CARNAHAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5731) to discharge a fiduciary obligation to Iran.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any funds in the Treasury of the United States not otherwise appropriated, the sum of $110,000, which sum shall be expended by the Secretary of State in his discretion for the education of Iranian students in the United States, in accordance with the obligation of the United States arising out of the agreement contained in an exchange of notes between this Government and the Iranian Government of July 25, July 29, November 9, and November 15, 1924, which agreement settled a claim asserted by the United States.

SEC. 2. The said sum of $110,000 shall be deemed a trust fund received by the Secretary of State under the provisions of the act of February 27, 1896 (29 Stat. 32, title 31, U. S. C., sec. 547), and shall be expended as therein provided. The said sum shall be deemed to constitute the fund of $110,000 received by the United States from the Iranian Government in four installments between December 24, 1924, and March 29, 1925, pursuant to the afore-mentioned notes, and deposited in the Treasury of the United States on June 24, 1925, which fund shall be deemed, insofar as the same may be necessary, to have been heretofore appropriated as a trust fund under the said act of February 27, 1896, and the Permanent Appropriation Repeal Act, 1934, as amended, section 20 (48 Stat. 1233, 31 U. S. C., sec. 725 (s)). The Secretary of the Treasury shall make payments out of the said fund to or for the account of such persons, in such amounts, at such times, and on such terms, as the Secretary of State or his designee shall certify and the certificates of the Secretary of State or his designee issued hereunder shall be conclusive as to the propriety of payments so made. The expenditure of the said sum by the United States shall constitute full performance of the obligation of the United States to the Iranian Government or any other person arising out of the said notes and shall discharge the Secretary of State and the Secretary of the Treasury with respect to any accountability therefor.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON RULES

Mr. SABATH. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a privileged report.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

COMMITTEE ON FOREIGN AFFAIRS

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a report on the bill H. R. 5895.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF REMARKS

Mr. CRAWFORD asked and was given permisison to extend his remarks immediately following the passage of the bill S. 855, concerning public works for Alaska, and include a statement from the Governor of Alaska.

INDEPENDENT OFFICES APPROPRIATION BILL, 1950—CONFERENCE REPORT

Mr. THOMAS of Texas. Mr. Speaker, I call up the conference report on the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 12, 1949.)

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

Mr. THOMAS of Texas. Mr. Speaker, I ask unanimous consent that Senate amendments numbered 7, 7½, 32, 52, 56, and 76 be considered en bloc. They are technical amendments, and have been agreed to by both bodies.

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, these are largely changes in the numbers of sections, and things of that sort.

Mr. THOMAS of Texas. That is correct.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

Senate amendment No. 7: Page 10, line 6, after the word "responsibility" insert ": *Provided further*, That not to exceed $2,700,000 of the amount herein appropriated may be transferred to the Department of the Navy for the acquisition, construction, and installation, at a location to be determined, of facilities (including necessary land and rights pertaining thereto) to replace existing Navy facilities at Arco, Idaho, which latter facilities are hereby authorized to be transferred by the Secretary of the Navy to the Commission for its purposes."

Senate amendment No. 7½: Page 10, line 14, insert ": *Provided further*, That no part of this appropriation or contract authorization shall be used—

"(A) to start any new construction project for which an estimate was not included in the budget for the current fiscal year;

"(B) to start any new construction project the currently estimated cost of which exceeds the estimated cost included therefor in such budget; or

"(C) to continue any community facility construction project whenever the currently estimated cost thereof exceed the estimated cost included therefor in such budget;

unless the Director of the Bureau of the Budget specifically approves the start of such

construction project or its continuation and a detailed explanation thereof is submitted forthwith by the Director to the Appropriations Committees of the Senate and the House of Representatives and the Joint Committee on Atomic Energy; the limitations contained in this proviso shall not apply to any construction project the total estimated cost of which does not exceed $500,000; and, as used herein, the term "construction project" includes the purchase, alteration, or improvement of buildings, and the term "budget" includes the detailed justification supporting the budget estimates: *Provided further,* That whenever the current estimate to complete any construction project (except community facilities) exceeds by 15 percent the estimated cost included therefor in such budget or the estimated cost of a construction project covered by clause (A) of the foregoing proviso which has been approved by the Director, the Commission shall forthwith submit a detailed explanation thereof to the Director of the Bureau of the Budget and the Committees on Appropriations of the Senate and of the House of Representatives and the Joint Committee on Atomic Energy."

Senate amendment No. 32: Page 21, line 6, after the word "year," insert "including not to exceed $1,200 for administrative expenses in connection with the city of East Peoria sewage project."

Senate amendment No. 52: Page 44, line 21, insert "including the acquisition of that part of Wallops Island, Accomac County, Va., not presently owned by the Government, and not to exceed 1 acre in the vicinity of Wallops Island, Accomac County, Va., adjoining land heretofore acquired by the Government."

Senate amendment No. 56: Page 47, line 8, strike out *"Provided,* That not exceeding $25,000 of funds available during the current fiscal year may be used for personal services" and insert *"Provided,* That not exceeding $29,000 of the funds available under the above appropriation during the current fiscal year may be used for regular and part-time personal services of the Commission, excepting services by contract."

Senate amendment No. 76: Page 65, line 5, insert:

"Grants to the Republic of the Philippines: For payments to the Republic of the Philippines of grants in accordance with the act of July 1, 1948 (Public Law 865), for (a) construction and equipping of hospitals, $9,400,000, to be immediately available and to remain available until expended, and (b) expenses incident to medical care and treatment of veterans, $3,285,000."

Mr. THOMAS of Texas. Mr. Speaker, I offer a motion which I send to the Clerk's desk.

The Clerk read as follows:

Mr. THOMAS of Texas moves that the House recede and concur in Senate amendments Nos. 7, 7½, 32, 52, 56, and 76.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 11: Page 2, line 20, after the semicolon, insert "not to exceed $500,000 for allocation to the Federal Bureau of Investigation as required for investigation of applicants for certain positions when requested by the head of the department or agency concerned in cases where the department or agency concerned does not maintain its own investigative staff."

Mr. THOMAS of Texas. Mr. Speaker, I offer a motion which I send to the Clerk's desk.

The Clerk read as follows:

Mr. THOMAS of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "not to exceed $250,000 for allocation to the Federal Bureau of Investigation as required for investigation of applicants for certain positions involving national security when required by the head of the department or agency concerned in cases where the department or agency concerned does not maintain its own investigative staff."

The motion was agreed to.

The SPEAKER pro tempore (Mr. COOPER). The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 13: Page 14, line 12, after "1943" insert ", or for the compensation or expenses of any member of a board of examiners who has not filed an affidavit that he is not, and within the fiscal years 1948 or 1949, has not been, pecuniarily or otherwise interested in any proceeding before any agency (as defined in section 2 of the Administrative Procedure Act), or any other proceeding to which the United States is a party."

Mr. THOMAS of Texas. Mr. Speaker, I offer a motion which I send to the Clerk's desk.

The Clerk read as follows:

Mr. THOMAS of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: ", or for the compensation or expenses of any member of a board of examiners (1) who has not made affidavit that he has not appeared in any agency proceeding within the preceding 2 years, and will not thereafter while a board member appear in any agency proceeding, as a party, or in behalf of a party to the proceeding, before an agency in which an applicant is employed who has been rated or will be rated by such member; or (2) who, after making such affidavit, has rated an applicant who at the time of the rating is employed by an agency before which the board member has appeared as a party, or in behalf of a party, within the preceding 2 years: *Provided,* That the definitions of 'agency,' 'agency proceeding,' and 'party' in section 2 of the Administrative Procedure Act shall apply to these terms as used herein."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 46, page 40, line 25, insert the following:

"OFFICE OF THE HOUSING EXPEDITER

"Salaries and expenses, Office of the Housing Expediter: For expenses necessary to carry out the functions of the Office of the Housing Expediter, including personal services in the District of Columbia; attendance at meetings of organizations concerned with rent control; hire of passenger motor vehicles; printing and binding; purchase of newspapers (not to exceed $10,000); services as authorized by section 15 of the act of August 2, 1946 (5. U. S. C. 55a); not to exceed $5,000 for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and health service program as authorized by law (5 U. S. C. 150); $21,667,500: *Provided,* That as to cases involving the functions transferred to the Office of the Housing Expediter by Executive Order 9841, section 204 (e) of the Emergency Price Control Act of 1942, as amended, shall be considered as remaining in full force and effect during fiscal year 1950."

Mr. THOMAS of Texas. Mr. Speaker, I offer a motion which I send to the desk.

The Clerk read as follows:

Mr. THOMAS of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows: In line 13 of said amendment, strike out the sum "$21,667,500", and insert "$17,500,000."

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. THOMAS].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 54, page 45, line 22, insert the following:

"Salaries and expenses, war records: For expenses necessary for the preparation of guides and other finding aids to records of the Second World War, including personal services in the District of Columbia; arranging, titling, scoring, processing, editing, duplication, reproduction, and authentication of photographic and other records (including motion-picture and other films and sound recordings); printing and binding; a health service program as authorized by law (5 U. S. C. 150); and payment of tort claims pursuant to law (28 U. S. C. 2672); $150,000, of which not to exceed $15,000 shall be available immediately."

Mr. THOMAS of Texas. Mr. Speaker, I offer an amendment which I send to the desk.

The Clerk read as follows:

Mr. THOMAS of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In line 10 of said amendment, following the semicolon, strike out the remainder of the line and all of line 11 down to the period and insert in lieu thereof the following: "$100,000: *Provided,* That this appropriation shall be consolidated with the appropriation 'Salaries and expenses, National Archives', and accounted for as one fund."

The SPEAKER pro tempore. The question is on agreeing to the motion offered by the gentleman from Texas.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 63: Page 55, line 1, insert the following: "no part of this contract authority shall be used to start any new ship construction for which an estimate was not included in the budget for the current fiscal year, or to start any new ship construction the currently estimated cost of which exceeds by 10 percent the estimated cost included therefor in such budget, unless the Director of the Bureau of the Budget specifically approves the start of such ship construction and the Director shall submit forthwith a detailed explanation thereof to the Committees on Appropriations of the Senate and of the House of Representatives; and, as used herein, the term 'budget' includes the detailed justification supporting the budget estimates: *Provided further.*"

Mr. THOMAS of Texas. Mr. Speaker, I offer a motion which I send to the desk.

The Clerk read as follows:

Amendment numbered 63.

Mr. THOMAS of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows: In line 4 of said amendment, after

the comma, strike out the word "or" and insert "nor" and in line 7, after the word "budget," strike out the comma.

The SPEAKER pro tempore. The question is on agreeing to the motion offered by the gentleman from Texas.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 74: Page 63, line 7, after the word "occupation" strike out the balance of the line, and the word "recreational" on line 8, and insert "shall not, in the absence of substantial evidence to the contrary, be considered avocational or recreational when a certificate, in the form of an affidavit supported by two corroborating affidavits, has been furnished by a physically qualified veteran stating that such education or training is desired by him for use in connection with his present or contemplated business or occupation."

Mr. THOMAS of Texas. Mr. Speaker, I offer a motion which I send to the desk.

The Clerk read as follows:

Mr. THOMAS of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "shall not, in the absence of substantial evidence to the contrary, be considered avocational or recreational when a certificate in the form of an affidavit supported by corroborating affidavits by two competent disinterested persons, has been furnished by a physically qualified veteran stating that such education or training will be useful to him in connection with earning a livelihood: *Provided further,* That no part of this appropriation for education and training under title II of the Servicemen's Readjustment Act, as amended, shall be expended subsequent to the effective date of this act for subsistence allowance or for tuition, fees, or other charges in any of the following situations:

"(1) For any veteran for a course in an institution which has been in operation for a period of less than 1 year immediately prior to the date of enrollment in such course unless such enrollment was prior to the date of this act;

"(2) For any course of education or training for which the Administrator determines that the educational or training institution involved has no customary cost of tuition until the Administrator and the educational or training institution have agreed upon a fair and reasonable rate of payment for tuition, fees, or other charges for such course. The term 'customary cost of tuition' as employed herein and in paragraph 5, part VIII, Veterans Regulation No. 1 (a), as amended, is regarded as that charge which an educational or training institution requires a nonveteran enrollee similarly circumstanced to pay as and for tuition for a course, except that the institution (other than a nonprofit institution of higher learning) is not regarded as having a 'customary cost of tuition' for the course or courses in question in the following circumstances:

"(a) Where the majority of the enrollment of the educational and training institution in the course in question consists of veterans in training under Public Laws 16 and 346, Seventy-eighth Congress, as amended, and.

"(b) One of the following conditions prevails:

"(1) The institution has been established subsequcnt to June 22, 1944.

"(2) The institution although established prior to June 22, 1944, has not been in continuous operation since that date.

"3. The institution although established prior to June 22, 1944, has subsequently increased its total tuition charges for the course to all students more than 25 percent.

"4. The course was not provided for nonveteran students by the institution prior to June 22, 1944, although the institution itself was established before June 22, 1944.

"(3) For any veteran after the date of enactment of this act to reenter training, or change a course, except where such reentry or change of course is based upon the recommendation of the Administrator following advisement and guidance: *Provided further,* That nothing in the foregoing proviso shall be construed to affect any litigation pending at the date of approval of this act."

The SPEAKER pro tempore. The question is on agreeing to the motion offered by the gentleman from Texas.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 77: Page 67, line 1 insert:

"SEC. 102. (a) No part of any appropriation contained in this title for the Atomic Energy Commission shall be used to confer a fellowship on any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence or with respect to whom the Commission finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and loyalty of whom, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States: *Provided,* That any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence and accepts employment or a fellowship the salary, wages, stipend, grant, or expenses for which are paid from any appropriation contained in this title shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both: *Provided further,* That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law."

Mr. CASE of South Dakota (interrupting the reading of the amendment). Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD; and in this connection I would merely like to point out that it is the amendment which deals with fellowships isued by the Atomic Energy Commission and is in addition to the provision with regard to the general loyalty test on salaries, wages, and so forth.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. THOMAS of Texas. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. THOMAS of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment, as follows: In line 1 of said amendment, strike out "SEC. 102. (a)", and insert:

"SEC. 102-A."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment 85: Page 74, line 25, insert "expenses (including personal services) in connection with the termination or liquidation of accounts carried on the books of the corporation."

Mr. THOMAS of Texas. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. THOMAS of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment, as follows: Before the comma at the end of the matter inserted by said amendment, insert the following: "not to exceed $300,000."

Mr. THOMAS of Texas. Mr. Speaker, I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Mr. Speaker, this is the final action in the consideration of the conference report, and with the adoption of this motion House action on the independent offices appropriation bill will be completed.

I merely want to call the attention of the Members of the House to the fact that a very substantial reduction has been made under the budget estimates both in the bill as it passed the House and now in its final form.

The bill as it passed the House carried a reduction of $672,060,277 below the budget estimates. In the Senate the bill passed with a reduction of $387,914,507. In the final action which will be agreed to when this next motion prevails there will be a total reduction in cash and contract authority of $517,414,841 below the budget requests.

That, I believe, both in the dollar reductions and in percentage cuts, leads the list for appropriation bills thus far acted upon.

The result is due to the thorough hearings which our chairman conducted and to the earnest efforts of all concerned, including our very able clerk, William Duvall. We also had very pleasant relations in the conference with the other body and were able to reach agreement on all items in 3 days.

Under permission to extend my remarks I will include this summary of comparative totals:

Final status of appropriations and contract authorization in the independent offices appropriation bill, 1950

Total amount of budget estimates considered	$8,051,343,830
Total amount agreed to by conferees	7,617,739,361
Net reduction in budget estimates	—433,604,469
Amount of contract authority submitted in budget estimates	536,000,000

Amount of contract authority agreed to by conferees	$452,189,628
Net reduction in contract authority	—83,810,372
Total cash and contract authority in budget estimates	8,587,343,830
Total cash and contract authority agreed to by conferees	8,069,928,989
Total reduction in cash and contract authority agreed to by conferecs	—517,414,841
In House:	
Amount of budget estimates considered	7,775,566,830
Amount included in bill	7,103,506,553
Reduction made in budget estimates	—672,060,277
In Senate:	
Amount of budget estimates considered	8,051,343,830
Amount included in bill	7,663,429,323
Reduction made in budget estimates	—387,914,507

(Mr. CASE of South Dakota asked and was given permission to revise and extend his remarks.)

The SPEAKER pro tempore. The question is on the motion of the gentleman from Texas.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the stable.

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD to indicate my opposition to the Arco project in Idaho.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. MANSFIELD. Mr. Speaker, I am very much disturbed to find, in this report and bill brought before the House, that language has been inserted by the Senate which approves the acquisition of Navy land at Arco, Idaho, by the Atomic Energy Commission and thereby gives approval to the AEC selection of Arco as the site for the nuclear reactor plant.

Mr. Speaker, as it is impossible for me, under the rules of the House, to offer an amendment to the conference report on the Independent Officer Appropriation bill—which includes funds for the Atomic Energy Commission—I will vote against it. I feel that the AEC has entirely too much power and authority and the classic example of this is the way it substituted Arco, Idaho, for Fort Peck, Mont., as the site for the nuclear reactor plant. Therefore, I want to see the Atomic Energy Commission stripped of its unequaled powers by reducing it to a par with other Federal agencies which are subject to congressional checks.

At present, the AEC has blanket authority to do just about anything it wants to do. We should take away its power to put atomic plants where it pleases. I advocate this because the AEC made a mistake when it selected Arco, Idaho, as the site for a nuclear reactor plant over Fort Peck, Mont., which had every advantage to make this plant a feasible one. We, of Montana, feel that decisions of this kind should not be within the hands of one man, a commission, or any other such group but that Congress should pick the sites and approve the project.

The facts, in this particular case, indicate very clearly that the Fort Peck site was the superior one and should have been retained over Arco. The hearings before the Joint Atomic Energy Committee proved by all the rules of logic and common sense, that Fort Peck should have been selected as the location for the nuclear reactor plant. I am voting against this conference report today in protest against the slipshod methods used by the AEC in determining the site of this plant and in the hope that, in the futurc, Congress will pick the sites and retain the power of final approval.

EXTENSION OF REMARKS

Mr. PHILLIPS of California asked and was given permission to extend his remarks in two separate instances in the Appendix, in one to include an editorial and in the other a quotation.

PERMISSION TO ADDRESS THE HOUSE

Mr. PHILLIPS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

THE WORK OF THE SUBCOMMITTEES OF THE HOUSE COMMITTEE ON APPROPRIATIONS

Mr. PHILLIPS of California. Mr. Speaker, in concluding the independent offices appropriation bill I wish to call your attention to the fact that two subcommittees of the House Committee on Appropriations, a total of 10 men have the job of revising and studying approximately 60 percent of the Federal budget. It is a heavy responsibility. Mr. Speaker, the Subcommittee on the Armed Services is one and the Subcommittee on Independent Offices is the other. The latter committee has the budgets for approximately 40 agencies, departments, and subsidiary parts of departments and agencies. I wish to take this opportunity to cite the fact that if it had not been for the ability of the chairman of the committee, the gentleman from Texas [Mr. THOMAS] and for the willingness of the other members of the subcommittee to work continuously and as hard as they did it would have been a very difficult matter.

I rise to express my appreciation of the chairman's work and my pleasure in working with the other four members of that subcommittee.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. As I understand it, the House agreed with the Senate in larger estimates for national life insurance?

Mr. PHILLIPS of California. That is correct.

Mrs. ROGERS of Massachusetts. I am very glad of that and also that there was more of an appropriation for hospital beds than appeared in the House bill.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. There was a supplemental estimate which went before the Senate. The Senate figures on national life insurance represented largely the increased deposits in the supplemental estimate.

Mrs. ROGERS of Massachusetts. They will be paid much more quickly, and should be.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

MINORITY VIEWS

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that certain members of the Committee on Foreign Affairs may have until midnight to night to file minority or separate views on the bill, H. R. 5895.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. THOMAS of Texas. Mr. Speaker, I ask unanimous consent that all Members may have two legislative days in which to extend their remarks on the conference report on H. R. 4177.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

CORRECTION OF ROLL CALL

Mr. MULTER. Mr. Speaker, on roll call No. 178 I am shown as not voting. I ask unanimous consent that that roll call be corrected to show me as voting "nay."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

SPECIAL ORDER GRANTED

Mr. MULTER. Mr. Speaker, I have a special order for today. I ask unanimous consent that that be transferred to tomorrow for 20 minutes after disposition of business on the Speaker's desk and at the conclusion of any special orders heretofore entered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. GATHINGS asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a memorial address delivered at the Arkansas Medical Society meeting and in the other to include an article

CLELLAN, all southerners, and Republicans MCCARTHY, IVES, MUNDT, and SCHOEPPEL. Their argument is said to be that Mr. Ewing is bound to be Secretary of Welfare and that putting so stout a champion of the Truman program there would give it great momentum.

NOTABLY SUCCESSFUL

Truman appointments are too often vulnerable from the competence standpoint. Mr. Ewing however cannot be attacked as a lame duck, a profession liberal, or a Government careerist who never met a pay roll. He is a notably successful New York lawyer, formerly counsel for the Aluminum Co. of America. As former Democratic vice chairman, he did many important and delicate tasks for his party.

Senators, of course, are not against socialized medicine for Senators. They, and Representatives too, enjoy the unremitting attentions of a doctor chosen by them and paid by the taxpayers, Dr. George Calver, whose office is in the Capitol. When they need hospitalization, the taxpayers generously provide completely free treatment by some of the country's finest doctors in the superb Army and Navy hospitals here.

To paraphrase Samuel Butler, Members of Congress would be almost as much horrified at hearing socialized medicine preached as they would be to see it discontinued in their case.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. ELLENDER. Can the Senator tell us what position the Hoover Commission, or any member of it, took as to Reorganization Plan No. 1? Has it taken sides?

Mr. TAFT. I do not believe that the Hoover Commission took any official position. I understand it did not. In effect, it seems to me that the plan which is submitted carries out the recommendations of the minority of the three members of the Hoover Commission. In effect they did not want to set up a separate medical administration. As I see it, this plan simply carries out the recommendations of the minority of the Hoover Commission.

Mr. ELLENDER. The Senator stated a while ago that if we were to give the Federal Administrator Cabinet status, it would increase his power. Can the Senator tell us in what respect?

Mr. TAFT. Under the terms of this plan, which I read:

All of the functions of the Department of Welfare—

If they had stopped there, and continued with the language, "Including all the functions of the Federal Security Administrator, are hereby consolidated in the Secretary of Welfare," it would have been different. They said:

All of the functions of the Department of Welfare and of all officers and constituent units thereof.

That means powers conferred by statute on the Surgeon General of the Public Health Service—powers, for example, to approve plans for the construction of hospitals. Such powers would all be transferred to the Secretary of Welfare. He would pass on those questions individually, unless he chose to delegate the task to someone else.

Mr. ELLENDER. But all those powers are derived from Congress, are they not?

Mr. TAFT. Yes; they are derived from Congress. But Congress thought that the position of Surgeon General in the Public Health Service should be filled by a doctor, and that the powers conferred on him should be exercised by a doctor. We placed educational powers in the head of the Office of Education, who presumably is an educator. Congress did that deliberately.

It is a general principle of the Hoover plan to concentrate power in the top man, and ordinarily I do not object to that principle; but when we have a department made up of three entirely separate functions, then it seems to me obvious that those functions ought to be kept separate by Congress, and ought to be administered by men chosen for the particular purpose.

INTERIOR DEPARTMENT APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. What is the question before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 5, after line 10, in House bill 3838.

Mr. KERR obtained the floor.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. LUCAS. I should like to suggest the absence of a quorum, if the Senator from Oklahoma will permit that to be done. This is the first time the able Senator from Oklahoma has taken the floor since he has been a Member of the United States Senate. It is very unusual, in these days, for a distinguished gentleman like my friend the Senator from Oklahoma to wait this long, and I should like to have all Members of the Senate hear him discuss this very important question.

INDEPENDENT OFFICES APPROPRIATIONS FOR 1950—CONFERENCE REPORT

Mr. O'MAHONEY. Mr. President, before a quorum call is had, unless one should be necessary with respect to the request I am about to make, let me say that the House has just adopted the conference report on the Independent Offices Appropriation bill. I know everyone is anxious to get these appropriation bills passed. I should like to submit the conference report on the part of the Senate conferees, and have it considered, if the Senator from Oklahoma will yield for that purpose.

Mr. KERR. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I submit the conference report on the Independent Offices Appropriation bill and ask for its immediate consideration.

Mr. TAFT. Mr. President, I wonder whether the Senator from Wyoming would be willing to put that request over until tomorrow. My attention has been called to the fact that the conferees have inserted a long proviso dealing with the whole question of veterans' education in private schools. I question that provision. Off hand it would seem to me to be legislation. I do not know whether the Committee on Conference has power to do so, but at least I disagree with some of the conclusions and some of the legislation, because it is clearly legislation.

Mr. O'MAHONEY. Does the Senator from Ohio refer to the amendment dealing with aviation training?

Mr. TAFT. If it related to aviation training only, that might be another matter. There was in the bill something about aviation training. But this item applies to all schools for veterans.

For some time we have been having before the Committee on Education and Labor hearings on the whole question of the regulation of privately owned schools, which in some ways constitute an abuse and in other ways constitute a service for the veterans. I should not like to have this conference report go through at this time; at least, I wonder whether the Senator would be willing to have it wait until tomorrow.

Mr. O'MAHONEY. I was just going to say to the Senator from Ohio that if I have in mind the item to which he has been referring, it relates to an amendment offered by the Senator from Oklahoma [Mr. THOMAS] in regard to aviation training and aviation schools. That was a Senate committee amendment. It was adopted by the Senate. The House conferees disagreed, and insisted upon inserting this other material, which is, as I understand it, the complete text of the regulation under which the Veterans' Administration is now operating by authority of law. The Senate conferees agreed, for otherwise the Senate amendment would have been lost.

Let me suggest to the Senator from Ohio that perhaps the best way to proceed would be to allow this particular amendment to go over, but to adopt the remainder of the conference report. Then the Senator could deal with this particular item tomorrow morning, and his objection to this item would not then block consideration of this important privileged report.

Mr. TAFT. Mr. President, can that be done?

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. Would it not be possible for us to consider all of the conference report save amendment No. 74, and allow that one amendment to go over until tomorrow?

The PRESIDING OFFICER. Since the amendment is not embraced in the conference report, that can be done.

Mr. TAFT. Mr. President, let me say that this item is of great importance, I think, because in the subcommittee of the Committee on Labor and Education we have had representatives of the Veterans' Administration before us. A provision which is not in the law has been inserted. It provides that none of this money shall be used to pay the allowances, and so forth, "for any veteran, after the date of the enactment of this

act, to reenter training or change a course, except where such reentry or change of course is based upon the recommendation of the Administration, following advisement and guidance."

They admit it would cost $8,000,000 for them to put on the additional personnel to give that advice and approval or guidance. Certainly that is a substantial change from anything in existing law.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. AIKEN. I should like to add that if this proposed legislation is not approved, then any serviceman who has started a course, but who has dropped it, perhaps to take a job, and now wishes to take up that course again, can do so, unless he was expelled for cause.

Mr. O'MAHONEY. Mr. President, I recognize the importance of the matter. My suggestion is that we approve—if that is possible, and I think it is—all the rest of the conference report, but allow this matter to go over until tomorrow.

Mr. TAFT. That will be perfectly satisfactory.

Mr. AIKEN. I wish to point out that the veterans in the schools are not dependent upon the adoption of this particular provision, which I think clearly is legislation.

Mr. O'MAHONEY. Yes; it is legislation, but it has been approved by the House.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. Except for the amendment which will go over, what is left in the conference report for the Senate to act upon?

The PRESIDING OFFICER. There are several amendments.

Mr. O'MAHONEY. About 100 amendments were added by the Senate. Some, comparatively few, the Senate conferecs had to surrender. The House has agreed to some, to others with an amendment, and I propose to proceed with all except this one.

Mr. WHERRY. All except this one?

Mr. O'MAHONEY. Yes. The present proposal is to have the Senate agree to all of the conference report with the exception of amendment No. 74.

Mr. WHERRY. So all the amendments we would now approve are Senate amendments, and the House has agreed to concur in them?

Mr. O'MAHONEY. There were some changes. The Senate conferees receded upon some, and the House has receded upon others.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. FERGUSON. Does this amendment include aviation training?

Mr. O'MAHONEY. Yes; this is the one.

Mr. FERGUSON. It has been greatly changed.

Mr. O'MAHONEY. Unquestionably it has.

Mr. WHERRY. I understand that, and I understand that the amendment will go over for further consideration.

Mr. O'MAHONEY. Yes.

Mr. WHERRY. I wish to know if there are points of issue in the other amendments, which might involve considerable discussion such as is contemplated in connection with amendment numbered 74.

Mr. O'MAHONEY. I think not, but I am merely requesting unanimous consent that we may proceed to the consideration of all the other amendments in the conference report, except number 74, and that it may go over.

Mr. WHERRY. Will the Senator from Wyoming explain the amendments?

Mr. O'MAHONEY. Certainly.

Mr. WHERRY. Very well; I have no objection to the consideration of the conference report, except for the one amendment.

The PRESIDING OFFICER. The conference report will be read.

The report was read by the legislative clerk.

(For the full text of the conference report, see CONGRESSIONAL RECORD of August 12, 1949, at pages 11604–11605.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the report.

Mr. WHERRY. Mr. President, I ask the distinguished Senator from Wyoming to give us an explanation—I would not say in detail; but I should like to know if the report includes any amendments containing legislation, on which the conferees on the part of the Senate and the conferees on the part of the House concurred, other than the amendment we have just discussed.

Mr. O'MAHONEY. Mr. President, I think that is the only one which involves any addition of that kind.

The bill was based upon a budget estimate of $8,051,000,000. The total of the bill as passed by the House of Representatives was $7,103,000,000. As the bill passed the Senate, the total was $7,663,000,000-odd. In the conference the amount was reduced to $7,617,739,361.

The principal difference between the Senate version and the House version lay in additional estimates which came to the Senate, but which were not considered by the House of Representatives, the net difference being an increase of approximately $267,000,000, as I remember. The principal increase was in the amount for the National Service Life Insurance—an increase of more than $400,000,000.

Mr. WHERRY. I happen to be on the subcommittee handling that matter, and I appreciate the amendment.

Let me ask the distinguished Senator about the appropriations for the Atomic Energy Commission.

Mr. O'MAHONEY. The Senate provisions were accepted.

Mr. WHERRY. The provisions for fellowships, and so forth, in regard to atomic energy?

Mr. O'MAHONEY. Absolutely; they were accepted just as the Senate wrote them.

Mr. WHERRY. Does the distinguished Senator care to go on with his discussion? I think it is very informative. Those are all the questions I should like to ask.

Mr. O'MAHONEY. I am sure the report conforms to the will of the Senate. I have never known a conference to be more cooperative. The conferees on the part of the Senate felt that the conferees on the part of the House were most agreeable, although they vigorously defended the House version. I wish to compliment Representative ALBERT THOMAS, of Texas, chairman of the conferees on the part of the House, and the other able Members of the House of Representatives who served with him—Mr. GORE, of Tennessee, Mr. PHILLIPS, Mr. ANDERSON, Mr. CANNON, Mr. CASE, and the others. We had a very pleasant conference, although, as in this instance of amendment 74, the Senate conferees were forced to yield. We felt that the House presented a persuasive case. I think the report generally harmonizes with the will of the Senate.

For example, on the Maritime Commission controversy, the House has receded, and the provisions with respect to the vessels, the *Mariposa* and the *Monterey*, have been disagreed to. The position taken by the Senate was sustained.

There is in the report a direction, however, that the Maritime Commission make an immediate investigation and make a recommendation to the Congress by the first of September for action by the appropriate legislative committees.

Mr. WHERRY. Mr. President, I thank the Senator for the explanation. Then my understanding is that what the Senate is taking action on now is everything——

Mr. O'MAHONEY. It is being asked to act on everything except amendment No. 74.

Mr. WHERRY. It is everything except that? How did the Senator refer to the provision on page 63, line 14? Did he use the word "occupation"?

Mr. FERGUSON. "Veterans' training."

Mr. WHERRY. After the word "occupation" insert "which has to do with veterans' training." Is that it? It is a little more than that, I think. How is the Senator going to designate it?

Mr. O'MAHONEY. Amendment 74.

Mr. WHERRY. Amendment 74? It is not the copy I have.

Mr. O'MAHONEY. It is known as amendment 74, and I say to the Senator that the Senate committee recommended an amendment with respect to aviation training; the Senate accepted the amendment; it went to conference, and the House conferees declined to agree to the amendment unless the Senate conferees would agree to additional language. That was done, and the House, now having adopted the modified amendment 74, it is before us, and I think in a perfectly parliamentary way. But of course, I feel there should be a full understanding of the meaning of the conferees' modification of the Senate amendment.

Mr. WHERRY. Does the Senator mind if I propound a parliamentary inquiry on that point?

The PRESIDING OFFICER. This amendment was not in the conference

report. It is an amendment that is still in disagreement.

Mr. WHERRY. That is the point I wanted to make.

The PRESIDING OFFICER. The question is on agreeing to the conference report. Agreement to the conference report does not carry with it action on amendment No. 74, which is still in disagreement.

Mr. WHERRY. There is no objection.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 4177, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES,
UNITED STATES,
August 14, 1949.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 7, 7½, 32, 52, 56, and 76 to the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "not to exceed $250,000 for allocation to the Federal Bureau of Investigation as required for investigation of applicants for certain positions involving national security when requested by the head of the department or agency concerned in cases where the department or agency concerned does not maintain its own investigative staff."

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "or for the compensation or expenses of any member of a board of examiners (1) who has not made affidavit that he has not appeared in any agency proceeding within the preceding two years, and will not thereafter while a board member appear in any agency proceeding, as a party, or in behalf of a party to the proceeding, before an agency in which an applicant is employed who has been rated or will be rated by such member; or (2) who, after making such affidavit, has rated an applicant who at the time of the rating is employed by an agency before which the board member has appeared as a party, or in behalf of a party, within the preceding two years: *Provided,* That the definitions of 'agency', 'agency proceeding' and 'party' in section 2 of the Administrative Procedure Act shall apply to these terms as used herein."

That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows: In line 13 of said amendment, strike out the sum "$21,667,500" and insert "$17,500,000."

That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In line 10 of said amendment, following the semicolon, strike out the remainder of the line and all of line 11 down to the period and insert in lieu thereof the following: "$100,000: *Provided,* That this appropriation shall be consolidated with the appropriation 'Salaries and expenses, National Archives', and accounted for as one fund."

That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows: In line 4 of said amendment, after the comma, strike out the word "or" and insert "nor"; and in line 7, after the word "budget", strike out the comma.

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "shall not, in the absence of substantial evidence to the contrary, be considered a vocational or recreational when a certificate in the form of an affidavit supported by corroborating affidavits by two competent disinterested persons, has been furnished by a physically qualified veteran stating that such education or training will be useful to him in connection with earning a livelihood: *Provided further,* That no part of this appropriation for education and training under title II of the Servicemen's Readjustment Act, as amended, shall be expended subsequent to the effective date of this act for subsistence allowance or for tuition, fees, or other charges in any of the following situations:

"(1) For any veteran for a course in an institution which has been in operation for a period of less than 1 year immediately prior to the date of enrollment in such course unless such enrollment was prior to the date of this act;

"(2) For any course of education or training for which the Administrator determines that the educational or training institution involved has no customary cost of tuition until the Administrator and the educational or training institution have agreed upon a fair and reasonable rate of payment for tuition, fees, or other charges for such course. The term "customary cost of tuition" as employed herein and in paragraph 5, par VIII, Veterans Regulation No. 1 (a), as amended, is regarded as that charge which an educational or training institution requires a nonveteran enrollee similarly circumstanced to pay as and for tuition for a course, except that the institution (other than a nonprofit institution of higher learning) is not regarded as having a "customary cost of tuition" for the course or courses in question in the following circumstances:

"(a) Where the majority of the enrollment of the educational and training institution in the course in question consists of veterans in training under Public Laws 16 and 346, Seventy-eighth Congress, as amended, and,

"(b) One of the following conditions prevails:

"1. The institution has been established subsequent to June 22, 1944.

"2. The institution although established prior to June 22, 1944, has not been in continuous operation since that date.

"3. The institution although established prior to June 22, 1944, has subsequently increased its total tuition charges for the course to all students more than 25 percent.

"4. The course was not provided for nonveteran students by the institution prior to June 22, 1944, although the institution itself was established before June 22, 1944;

"(3) For any veteran after the date of enactment of this act to reenter training, or change a course, except where such reentry or change of course is based upon the recommendation of the Administrator following advisement and guidance: *Provided further,* That nothing in the foregoing proviso shall be construed to affect any litigation pending at the date of approval of this act."

That the House recede from its disagreement to the amendment of the Senate No. 77, and agree to the same with an amendment, as follows: In line 1 of said amendment, strike out "Sec. 102. (a)" and insert "Sec. 102–A."

That the House recede from its disagreement to the amendment of the Senate No. 85, and agree to the same with an amendment, as follows: Before the comma at the end of the matter inserted by said amendment, insert the following: "not to exceed $300,000."

Mr. WHERRY. Mr. President, the agreement is that this goes over for further consideration. Is that correct?

The PRESIDING OFFICER. Amendment No. 11 is not one of those in disagreement. Is there any objection?

Mr. HOLLAND. Mr. President——

Mr. WHERRY. I have no objection.

Mr. O'MAHONEY. I now move that the Senate concur in the amendments of the House to the amendments of the Senate, with the exception of amendment No. 74.

Mr. HOLLAND. Mr. President——

Mr. LUCAS. Mr. President, who has the floor? Does the Senator from Oklahoma have the floor?

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. LUCAS. I thought the Senator from Oklahoma yielded about an hour ago.

Mr. KERR. I yielded to the Senator from Wyoming, for the presentation of the conference report.

Mr. LUCAS. The Senator from Oklahoma yielded, then, so the matter could be brought before the Senate at this time.

Mr. HOLLAND. Mr. President, I ask for recognition with respect to that.

I should like to address an inquiry to the distinguished chairman of the conference with reference to the Maritime Commission training program.

Mr. O'MAHONEY. The House conferees accepted the Senate amendment, so everything for which the distinguished and able Senator from Florida contended is in the bill.

Mr. HOLLAND. I appreciate very much the efficiency and courtesy of the distinguished chairman.

Mr. O'MAHONEY. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wyoming.

The motion was agreed to.

The PRESIDING OFFICER. The Senator from Oklahoma has the floor.

Mr. WHERRY. Mr. President, before the Senator proceeds, will he yield for a parliamentary inquiry?

Mr. KERR. I yield for that purpose.

Mr. WHERRY. All I wanted to ask was this: If there is legislation in the amendment of the House to the amendment of the Senate, unless it shall be defeated, will it be subject to a point of order as being legislation on an appropriation bill?

The PRESIDING OFFICER. An amendment adopted by the House of Representatives, it is the Chair's understanding, would not be subject to a point of order.

Mr. WHERRY. But if the Senate concurred in the amendment of the

House, and it were legislation, would it be subject to a point of order?

The PRESIDING OFFICER. Since it would be legislation inserted by the House, it is the Chair's understanding it would not be subject to a point of order, under the rules of the Senate.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WHERRY. Yes. I thought the Senate and the House had agreed upon a compromise, and that therefore there was new matter in the amendment.

Mr. O'MAHONEY. There is new matter, but it was stricken, and, as the Chair has announced, since it is an amendment agreed to by the House, the point of order would not lie. But I may say, as the Senator in charge of the bill, that I am perfectly willing to have the matter discussed at an appropriate time, and if the Senate, for any reason, feels it should disagree to the amendment, all we will have to do will be disagree.

INTERIOR DEPARTMENT APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes.

Mr. KERR. Mr. President, first I should like to pay tribute to my colleague from Oklahoma, with whom I find myself in disagreement with reference to the pending legislation. I wish to pay tribute to him as one of Oklahoma's greatest public servants. I wish to pay tribute to him as a great Democrat and a great friend, and to express my regret that while we are together on so many things affecting our State we find ourselves in disagreement with reference to this matter.

Some of the things that have been discussed here today in my opinion should be mentioned briefly. We have heard much about the Nation's budget and about the national debt. Those are matters in which we are all deeply interested, and about which we have grave concern.

Mr. LUCAS. Mr. President, I suggest the Senate is slightly out of order.

The PRESIDING OFFICER. The Senate will be in order. The Senator may proceed.

Mr. WHERRY. Mr. President, since the majority leader has found it necessary to interrupt the distinguished Senator from Oklahoma, I should like to inquire, how long does the majority leader feel the Senate should continue in session this afternoon?

Mr. LUCAS. Perhaps the Senator should address his question to the distinguished Senator from Oklahoma. I do not know how long.

Mr. WHERRY. I do not want to interfere with the duties of the majority leader, but I think an indication of how long the session is to continue this afternoon is in order.

Mr. LUCAS. I submit the Senator should ask the distinguished Senator from Oklahoma, but if the Senator desires to have me ask, I shall be glad to do so. How long does the Senator from Oklahoma expect to speak? I make the inquiry so that I may be able to inform Senators when they can go home.

Mr. KERR. The Senator from Oklahoma will speak approximately 30 or 35 minutes.

Mr. LUCAS. That is, unless interrupted?

Mr. KERR. I may say that any relationship, however, between that and the length of time we shall be in session is purely coincidental.

Mr. LUCAS. I thank the Senator.

Mr. WHERRY. Mr. President, if the Senator will yield for a question. Does the Senator mean tonight, or does he refer to the whole session?

Mr. KERR. That depends upon the questions asked and the controversial matters injected into the discussion from now on.

Mr. WHERRY. I was going to suggest that, inasmuch as this is, as the distinguished majority leader said, the maiden speech of the Senator from Oklahoma, probably a quorum call would be in order, or perhaps, unless the Senator has released his speech, he might prefer to have the matter go over until tomorrow, when we could have a full attendance.

Mr. KERR. I appreciate the consideration of the Senator from Nebraska, but I would not ask for a quorum for the feeble effort I expect to make.

As I was about to say, in considering the fiscal policies of the Government it is well to know that dollars and cents are not the only standard of national wealth. It has been said that a nation loaded with money, but whose resources are dissipated, is a poor nation; but that a nation whose resources are conserved and developed, a nation whose people are trained in heart and hand and mind, is a wealthy nation, though her financial resources alone may be limited. I do not consider that the United States of America is short in any of these regards. I say that programs having to do with the development of the economic resources of the Nation, the conservation and building of the soil, the conservation and use of water, the development of an industrial structure, the development of the people of the Nation to a point where they know how to get the most out of those resources—these things make for a wealthy nation, indeed.

The matter of taxation of utilities has been mentioned. That is a very pertinent subject. It is a subject in which the people are personally interested, because they know that in their rate base is an amount sufficient to pay those taxes, and that in addition to that, their rates are increased as the taxes may be increased. In the final analysis, the people pay the utilities all they pay in taxes, plus 6½ percent.

Much has been said about what this program means to the farmers of Oklahoma. Much of what I say will be with reference to what it means to the farmers of Oklahoma. In that regard, I call attention to the fact that of all the groups in Oklahoma, none is more able to determine for itself what this program means and what it is worth than are the farmers of Oklahoma. They, in the use of their great reserves of good common sense and hard, practical ability, have been here and have addressed themselves to the Senate committee with reference to the program.

Mr. President, with reference to the Southwestern Power Administration, the committee suggests amendments, as has been set forth this afternoon. As I understand, and as I have learned from reading the bill and the report of the committee, there is no matter in the bill before the Senate that involves hundreds of millions of dollars. There is in the bill now pending before the Senate no program that involves more than $9,000,000, with reference to both appropriations and authorizations, but it deals with a part of a program which has, as its over-all objective, the expenditure of approximately $50,000,000. I believe that we not only are entitled to, but should, think of it in that light.

There are four things about which this debate has arisen. One is the transmission line to southeastern Missouri. Another is a transmission line to western Oklahoma; the third is operation and maintenance expenses, and the fourth is the continuing fund.

The committee amendment which deletes the paragraph establishing a continuing fund of $300,000, along with the others, should be rejected by the Senate.

The committee recommended the deletion of the continuing fund on the ground that no law exists authorizing the appropriation.

This continuing fund was intended for the purchase of electric power and the leasing of transmission facilities. The Southwestern Power Administration has had a $100,000 continuing fund for several years. Solely to take care of expanding operations, the House had increased this amount of $300,000.

The committee report directs the Southwestern Power Administration to enter into contracts with private utility companies under which SPA would be required, in effect, to purchase power and lease lines. Mr. President, this is exactly what the committee had said SPA had no authority to do. I will discuss these proposed contracts a little later.

At my request, the Solicitor of the Department of the Interior reviewed the committee's statement and rendered an opinion that the Administration does have the authority to purchase power and lease lines under the Flood Control Act of December 1944. I submit a copy of his opinion, and ask unanimous consent that it be inserted in the RECORD at this point.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
Washington, D. C., July 15, 1949.

To: The Secretary.
From: The Solicitor.
Subject: Scope of the lawful powers of the Southwestern Power Administration.

This responds to the oral request for my comments upon the statement appearing in the report (S. Rept. No. 661, 81st Cong., p. 5) of the Senate Appropriation Committee on the Interior Department appropriation bill for the fiscal year 1950 (H. R. 3838, 81st Cong.) to the effect that "no law exists authorizing appropriations" to the Southwest-

H. R. 4177, THE INDEPENDENT OFFICES APPROPRIATION BILL FOR 1950

IN THE SENATE OF THE UNITED STATES

AUGUST 15 (legislative day, JUNE 2), 1949

Ordered that Senate amendment No. 74 be printed showing the amendment of the House of Representatives

Original House text stricken out shown in line-type.
Senate amendment shown in line-type italic.
House amendment to Senate amendment shown in bold-face type.

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(74) ~~shall not be considered avocational or recreational~~ *shall not, in the absence of substantial evidence to the contrary, be considered avocational or recreational when a certificate, in the form of an affidavit supported by two corroborating affidavits, has been furnished by a physically qualified veteran stating that such education or training is desired by him for use in connection with his present or contemplated business or occupation* **shall not, in the absence of substantial evidence to the contrary, be considered avocational or recreational when a certificate in the form of an affidavit supported by corroborating affidavits by two competent disinterested persons, has been furnished by a physically**

qualified veteran stating that such education or training will be useful to him in connection with earning a livelihood: *Provided further,* That no part of this appropriation for education and training under title II of the Servicemen's Readjustment Act, as amended, shall be expended subsequent to the effective date of this Act for subsistence allowance or for tuition, fees, or other charges in any of the following situations:

(1) For any veteran for a course in an institution which has been in operation for a period of less than one year immediately prior to the date of enrollment in such course unless such enrollment was prior to the date of this Act;

(2) For any course of education or training for which the Administrator determines that the educational or training institution involved has no customary cost of tuition until the Administrator and the educational or training institution have agreed upon a fair and reasonable rate of payment for tuition, fees, or other charges for such course. The term "customary cost of tuition" as employed herein and in paragraph 5, part VIII, Veterans Regulation Numbered 1 (a), as amended, is regarded as that charge which an educational or training institution requires a nonveteran enrollee similarly circumstanced to pay as and for tuition for a course, except that the insti-

tution (other than a nonprofit institution of higher learning) is not regarded as having a "customary cost of tuition" for the course or courses in question in the following circumstances:

(a) Where the majority of the enrollment of the educational and training institution in the course in question consists of veterans in training under Public Laws 16 and 346, Seventy-eighth Congress, as amended; and

(b) One of the following conditions prevails:

1. The institution has been established subsequent to June 22, 1944.

2. The institution, although established prior to June 22, 1944, has not been in continuous operation since that date.

3. The institution, although established prior to June 22, 1944, has subsequently increased its total tuition charges for the course to all students more than 25 per centum.

4. The course was not provided for nonveteran students by the institution prior to June 22, 1944, although the institution itself was established before June 22, 1944;

(3) For any veteran after the date of enactment of this Act to reenter training, or change a course, except where such reentry or change of course is based upon the recommendation of the Administrator following ad-

visement and guidance: *Provided further,* That nothing in the foregoing proviso shall be construed to affect any litigation pending at the date of approval of this Act.

○

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to Senate Resolution 155.

Mr. McCLELLAN. Is ask for the yeas and nays.

The yeas and nays were ordered.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. A vote in the affirmative for the resolution is a vote to reject Reorganization Plan No. 7, is it not?

The PRESIDING OFFICER. The Senator is correct. The question is on agreeing to Senate Resolution 155, which disapproves Reorganization Plan No. 7 of 1949. A Senator who does not favor the plan of reorganization will vote "yea." A Senator who favors the plan of reorganization will vote "nay."

The hour at the end of which the vote would have been taken will expire at 12 minutes past 6. Is there objection to proceeding to vote at this time, 4 minutes after 6 o'clock? The Chair hears no objection.

Mr. WHERRY. Mr. President, the acting majority leader is not on the floor at the moment, and I hope the Members of the Senate will remain after the vote, because a unanimous consent request will be presented relative to the debate on the nomination of Attorney General Clark, and with respect to the time at which the nomination will be voted on. I see the acting majority leader now in the Chamber, and I may state to him that the announcement was made yesterday by the majority leader that today there would be a recess from 6 until 7 o'clock for dinner, and that we would proceed with the consideration of the nomination after that time.

Mr. MYERS. I think all Senators are aware of the fact that after we conclude the voting on Reorganization Plan No. 7, it is the intention to call the Executive Calendar. There are on the Executive Calendar three treaties which I believe are noncontroversial. Then the noncontroversial nominations on the calendar will be called, and we will then proceed to the consideration of the nomination of Hon. Tom C. Clark to be Associate Justice of the Supreme Court of the United States. I understand that we will be able to secure a unanimous-consent agreement to recess after the nomination is made the pending business, to convene at 12 o'clock tomorrow and to vote on the nomination at 3:30 o'clock p. m. tomorrow. I shall present the unanimous-consent request after the vote on the reorganization plan.

The PRESIDING OFFICER. The yeas and nays have been ordered on Senate Resolution 155, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from North Carolina [Mr. HOEY], who is absent on public business, would vote "yea," if present.

The Senator from Illinois [Mr. LUCAS], who is absent on public business, would vote "nay," if present.

The Senator from Florida [Mr. PEPPER] is absent by leave of the Senate on public business.

I announce further that, if present and voting, the Senator from Rhode Island [Mr. McGRATH], who is absent on public business, would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], who is absent by leave of the Senate, has a general pair with the Senator from Nebraska [Mr. BUTLER], who is absent by leave of the Senate.

The Senator from Maine [Mr. BREWSTER] is necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent because of illness.

The Senator from Kansas [Mr. REED] is absent by leave of the Senate.

The result was—yeas 40, nays 47, as follows:

YEAS—40

Bricker	Holland	Morse
Cain	Hunt	Mundt
Chapman	Johnson, Colo.	Murray
Chavez	Johnson, Tex.	Robertson
Connally	Johnston, S. C.	Sparkman
Cordon	Kerr	Stennis
Donnell	McCarran	Thomas, Okla.
Ecton	McClellan	Thomas, Utah
Ellender	McFarland	Watkins
George	McKellar	Wherry
Gurney	Magnuson	Wiley
Hayden	Malone	Withers
Hickenlooper	Maybank	
Hill	Millikin	

NAYS—47

Anderson	Hendrickson	Neely
Baldwin	Humphrey	O'Conor
Bridges	Ives	O'Mahoney
Byrd	Jenner	Russell
Capehart	Kefauver	Saltonstall
Douglas	Kem	Schoeppel
Downey	Kilgore	Smith, Maine
Dulles	Knowland	Smith, N. J.
Eastland	Langer	Taft
Ferguson	Lodge	Taylor
Flanders	Long	Thye
Frear	McCarthy	Tydings
Fulbright	McMahon	Vandenberg
Gillette	Martin	Williams
Graham	Miller	Young
Green	Myers	

NOT VOTING—9

Aiken	Hoey	Pepper
Brewster	Lucas	Reed
Butler	McGrath	Tobey

The PRESIDING OFFICER. On this vote the yeas are 40, the nays are 47. The resolution is not agreed to, not having received the affirmative votes of a majority of the authorized membership of the Senate.

HOFFMAN'S WARNING TO THE 19 MARSHALL PLAN COUNTRIES

Mr. FULBRIGHT. Mr. President, I shall take but 1 minute of the Senate's time. I particularly want to commend Mr. Paul Hoffman for a statement which he made in Paris yesterday to the 19 Marshall plan countries. His statement was made at a meeting of the Organization for European Economic Cooperation in Paris. I desire read one sentence he is reported to have uttered to that conference. These are the words of Mr. Hoffman:

> I want to say again and again and again to you that now is the time when there must be proof of accomplishment in the direction of genuine cooperation by the European nations to the end that this become as rapidly as possible a single market.

I think that shows that finally, after a year and a hlaf, the ECA has come around to the view that there must be some coordination and unification economically of Europe.

The same article in the Washington Post quotes Mr. Andre Philipp, a Frenchman, of Strasbourg, France, as saying that "discouragingly little progress" has been made under the Marshall plan and that Europe is more divided economically than ever before. But the statement of Mr. Hoffman at least shows that at long last the ECA has come around to the view which I have described; and I assume that our State Department has endorsed that policy.

INDEPENDENT OFFICES APPROPRIATIONS—MOTION TO RECONSIDER

Mr. DOUGLAS. Mr. President, I rise to enter a motion that the Senate reconsider the vote whereby this body agreed to the House amendment to Senate amendment numbered 46 to House bill 4177, the independent offices appropriation bill for 1950. I should like to have the privilege of making a brief statement to clarify the situation, if I may.

Mr. WHERRY. Mr. President, will the Senator yield so that I may ask the majority leader a question?

Mr. DOUGLAS. I yield.

Mr. WHERRY. Would it not be possible at this time to get a unanimous-consent agreement with respect to the nomination of Mr. Clark to be Associate Justice of the Supreme Court, and the nomination of the Senator from Rhode Island [Mr. McGRATH] to be Attorney General?

Mr. MYERS. I do not believe the Senator from Illinois will take very long. Other Senators have taken time.

Mr. DOUGLAS. Mr. President, I shall take not more than 10 minutes.

The parliamentary situation with respect to Senate amendment 46 to H. R. 4177, the independent offices' appropriation bill, seems to be as follows:

Senate amendment 46 would have appropriated $21,667,000 to the Office of Housing Expediter for administrative expenses required to administer the Housing and Rent Act of 1947, as amended most recently by Congress in the Housing and Rent Act of 1949, approved March 30 of this year.

The 1949 act added to the administrative duties of the Office of Housing Expediter. It required him to designate an officer for each area rent office as a small landlord-tenant helper to assist them in obtaining the rights afforded them by the act. It increased the responsibilities of that office by extending the scope of its authority to initiate legal action against violators of the law, directly through action to recover damages for rent overcharges and indirectly by reporting to the Attorney General of the United States cases where there appeared to be grounds for seeking injunctions against violation of any part of the Rent Control Act. It also placed in the Office of Housing Expediter the entire duty of regulating evictions. Under the Housilng and Rent Act of 1948, the Housing Expediter had no authority to regulate evictions.

In view of the need for carrying out these and other duties, the Bureau of the Budget approved an amount of $26,750,000 for administrative expenses. The request for that amount was considered by the Senate Committee on Appropriations, which had before it for consideration H. R. 4177, the independent offices appropriation bill. This bill

had been reported from the House Committee on Appropriations on April 11, 1949, and passed by the House on April 14, too early for inclusion of a request for an appropriation for administrative expenses of the Office of Housing Expediter. The Office was in no position to request appropriations for the current fiscal year until passage of the Housing Act of 1949, which was not approved by both Houses until March 30, 1949.

After consideration, the Senate Committee reduced the recommended appropriation by 10 percent to $24,075,000 and included it in H. R. 4177 as Senate amendment 46.

During the debate in the Senate on July 29, 1949, this amount was further reduced on the motion of the senior Senator from New Hampshire [Mr. BRIDGES] to $21,667,000 by the extremely narrow margin of 3 votes, the count being 45 to 42. In other words, after an initial cut of 10 percent, the Senate made a further cut of about 10 percent.

In this form, amendment 46 went into conference and the conferees were unable to reach an agreement. It was reported in disagreement by the conferees in Conference Report No. 1262, dated August 12. In the statement of the managers on the part of the House, the managers stated that they would move to recede and concur in the Senate amendment with an amendment.

Such a motion was made by the gentleman from Texas [Mr. THOMAS] on August 15 and was agreed to without discussion or explanation. The effect of this amendment was to reduce the appropriation from $21,667,500 to $17,500,000, or a further reduction of approximately 20 percent from the preceding figure.

This action by the House was embodied in a message from the House, strangely dated August 14, announcing its action on six Senate amendments to H. R. 4177 on which the conferees were unable to reach agreement. This message was received in the Senate late in the day of August 15 and was acted upon immediately without explanation, although without objection. The distinguished senior Senator from Wyoming [Mr. O'MAHONEY] moved that the Senate concur in the House amendments to the six Senate amendments to H. R. 4177 covered by the message, with the exception of amendment 74 having to do with veterans' educational aids. That motion was agreed to. No discussion was had relative to amendment 46.

I have requested reconsideration of that action as it affects amendment 46 because I would feel remiss in my duties were I not to invite the attention of the Members of this distinguished body to the unfortunate results which would flow from slashing the appropriations for the Office of Housing Expediter to $17,500,000.

For the last fiscal year, appropriations of $22,222,200 were made to that office. Some of that amount was made in the form of deficiency appropriations. In view of the additional duties placed upon the Housing Expediter only a few months ago by this same Congress, I assume it was not the intention of the conferees or of this body that the Housing Expediter engage in a wholesale dismissal of personnel. Since Congress must expect him to execute the duties vested in him, I would guess it was probably the thought of the conferees that he should continue to employ the personnel needed for that purpose until decreases in personnel are made possible by the tapering-off of the areas in which Federal rent controls are still effective. In view of the sizable reduction in appropriations below those approved by the Senate, I gather the conferees must have expected these decreases in over-all duties to occur rapidly as the present date for expiration of Federal rent controls, June 30, 1950, approaches. I assume, and would appreciate being corrected if this is not the case, that should this substantial tapering-off of duties of the Office of Housing Expediter not occur, the Senate committee would entertain a request for such deficiency appropriations as may be justified in the light of conditions as they exist when the current appropriation shall have been exhausted.

I personally feel that despite these assumptions, the amount of $17,500,000 is not sufficient to enable the Office of Housing Expediter to do an adequate job of executing the Federal rent control laws.

I therefore enter a motion to reconsider the vote whereby the Senate agreed to the House amendment to Senate amendment No. 46 to H. R. 4177, the independent offices appropriation bill for 1950.

The PRESIDING OFFICER. The motion will be entered.

EXECUTIVE SESSION

Mr. MYERS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. (Mr. STENNIS in the chair). If there be no reports of committees, the clerk will proceed to state the business on the Executive Calendar.

INTERNATIONAL RECOGNITION OF RIGHTS IN AIRCRAFT—CONVENTION PASSED OVER

Executive E (81st Cong., 1st sess.), the Convention on the International Recognition of Rights in Aircraft, signed at Geneva on June 19, 1948, was announced as first in order.

Mr. MYERS. Mr. President, that treaty is to be passed over.

Mr. CONNALLY. Mr. President, this is a treaty which was handled in the subcommittee by the Senator from Florida [Mr. PEPPER]. It was thoroughly explained to the Foreign Relations Committee, and we think it should be ratified. It is not controversial. No one objected to it.

Mr. WHERRY. Mr. President, I had understood that the treaties to be considered were the remaining treaties on the calendar. Personally I have no objection to this particular treaty, but I should like very much to have an opportunity to consult with one or two Senators who I know are vitally interested in the recognition of rights in aircraft before the treaty is approved. Would the Senator from Texas consent to allowing the treaty to go over until tomorrow?

Mr. CONNALLY. I shall be obliged to do so if the Senator from Nebraska so requests. There was no opposition in the committee to the treaty.

Mr. WHERRY. I understand that. However, one Senator asked me about the treaties to be considered, and I did not know that this treaty was to be considered. I understood that it was the remaining treaties which were to be considered.

Mr. CONNALLY. Very well.

The PRESIDING OFFICER. The treaty will be passed over.

INTERNATIONAL CONVENTION FOR THE NORTHWEST ATLANTIC FISHERIES

The Senate, as in Committee of the Whole, proceeded to consider the convention, Executive N (81st Cong., 1st sess.), the International Convention for the Northwest Atlantic Fisheries, formulated at the International Northwest Atlantic Fisheries Conference and signed at Washington under date of February 8, 1949, by the plenipotentiaries of the United States of America and by the plenipotentiaries of certain other governments, which was read the second time, as follows:

INTERNATIONAL CONVENTION FOR THE NORTHWEST ATLANTIC FISHERIES

The Governments whose duly authorized representatives have subscribed hereto, sharing a substantial interest in the conservation of the fishery resources of the Northwest Atlantic Ocean, have resolved to conclude a convention for the investigation, protection and conservation of the fisheries of the Northwest Atlantic Ocean, in order to make possible the maintenance of a maximum sustained catch from those fisheries and to that end have, through their duly authorized representatives, agreed as follows:

ARTICLE I

1. The area to which this Convention applies, hereinafter referred to as "the Convention area", shall be all waters, except territorial waters, bounded by a line beginning at a point on the coast of Rhode Island in 71°40′ west longitude; thence due south to 39°00′ north latitude; thence due east to 42°00′ west longitude; thence due north to 59°00′ north latitude; thence due west to 44°00′ west longitude; thence due north to the coast of Greenland; thence along the west coast of Greenland to 78°10′ north latitude; thence southward to a point in 75°00′ north latitude and 73°30′ west longitude; thence along a rhumb line to a point in 69°00′ north latitude and 59°00′ west longitude; thence due south to 61°00′ north latitude; thence due west to 64°30′ west longitude; thence due south to the coast of Labrador; thence in a southerly direction along the coast of Labrador to the southern terminus of its boundary with Quebec; thence in a westerly direction along the coast of Quebec, and in an easterly and southerly direction along the coasts of New Brunswick, Nova Scotia, and Cape Breton Island to Cabot Strait; thence along the coasts of Cape Breton Island, Nova Scotia, New Brunswick, Maine, New Hampshire, Massachusetts, and Rhode Island to the point of beginning.

2. Nothing in this Convention shall be deemed to affect adversely (prejudice) the claims of any Contracting Government in regard to the limits of territorial waters or to the jurisdiction of a coastal state over fisheries.

The Senator from Louisiana [Mr. LONG] and the Senator from South Carolina [Mr. MAYBANK] are absent by leave of the Senate.

The Senator from Illinois [Mr. LUCAS] is absent on public business.

The Senator from Virginia [Mr. ROBERTSON] is absent by leave of the Senate on official business.

Mr. WHERRY. I announce that the Senator from Vermont [Mr. AIKEN] and the Senator from Nebraska [Mr. BUTLER] are absent by leave of the Senate, and they have a general pair.

The Senator from Connecticut [Mr. BALDWIN], the Senator from Indiana [Mr. CAPEHART], the Senator from Kansas [Mr. REED], and the Senator from Minnesota [Mr. THYE] are absent by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the senior Senator from New Hampshire [Mr. BRIDGES], the Senator from Pennsylvania [Mr. MARTIN], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Ohio [Mr. TAFT], and the junior Senator from New Hampshire [Mr. TOBEY] are necessarily absent.

The Senator from Massachusetts [Mr. LODGE] is detained on official business.

The result was announced—yeas 32, nays 40, as follows:

YEAS—32

Bricker	Hickenlooper	Schoeppel
Cain	Hoey	Smith, Maine
Cordon	Holland	Smith, N. J.
Donnell	Ives	Thomas, Okla.
Dulles	Jenner	Vandenberg
Eastland	Kem	Watkins
Ecton	Langer	Wherry
Ellender	McClellan	Wiley
Flanders	Malone	Williams
Gurney	Millikin	Young
Hendrickson	Mundt	

NAYS—40

Anderson	Hunt	Miller
Chapman	Johnson, Colo.	Morse
Chavez	Johnson, Tex.	Murray
Connally	Johnston, S. C.	Myers
Douglas	Kefauver	Neely
Downey	Kerr	O'Mahoney
Ferguson	Kilgore	Russell
Fulbright	Knowland	Sparkman
George	McCarran	Stennis
Graham	McCarthy	Taylor
Green	McFarland	Thomas, Utah
Hayden	McGrath	Withers
Hill	McKellar	
Humphrey	Magnuson	

NOT VOTING—24

Aiken	Gillette	Pepper
Baldwin	Lodge	Reed
Brewster	Long	Robertson
Bridges	Lucas	Saltonstall
Butler	McMahon	Taft
Byrd	Martin	Thye
Capehart	Maybank	Tobey
Frear	O'Conor	Tydings

So the Senate refused to take a recess.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 781. An act to amend title II of the Civil Aeronautics Act of 1938, as amended;

H. R. 997. An act to extend the benefits of section 1 (c) of the Civil Service Retirement Act of May 29, 1930, as amended, to employees who were involuntarily separated during the period from July 1, 1945, to July 1, 1947, after having rendered 25 years of service but prior to attainment of age 55; and

H. R. 4498. An act to amend section 6 of the act of April 15, 1938, to expedite the carriage of mail by granting additional authority to the Postmaster General to award contracts for the transportation of mail by aircraft upon star routes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1647) to eliminate premium payments in the purchase of Government royalty oil under existing contracts entered into pursuant to the act of July 13, 1946 (60 Stat. 533).

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2859) to authorize the sale of public lands in Alaska.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2877) to authorize the addition of certain lands to the Big Bend National Park, in the State of Texas, and for other purposes.

The message notified the Senate that Mr. GRANGER had been appointed a manager on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2296) to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes, vice Mr. ABBITT, excused.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 1279) for the relief of George Hampton, and it was signed by the Vice President.

INTERIOR DEPARTMENT APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Oklahoma [Mr. KERR] to the committee amendment on page 6, in line 13. On that question the yeas and nays have been ordered.

Mr. CORDON obtained the floor.

INDEPENDENT OFFICES APPROPRIATIONS—AMENDMENTS IN DISAGREEMENT

Mr. O'MAHONEY. Mr. President, will the Senator yield to me? Is he planning to address himself to the amendment?

Mr. CORDON. Yes. For what purpose does the Senator from Wyoming request me to yield?

Mr. O'MAHONEY. In order to bring before the Senate some matters relating to a conference report.

Mr. CORDON. I shall be glad to yield for that purpose.

Mr. O'MAHONEY. Mr. President, on Monday last the conference report on the independent offices appropriation bill was submitted. There were several amendments which were in disagreement between the two Houses. One of them was amendment numbered 74, which had to do with flight training and with tuition allowed by the Veterans' Administration for contracts for the education of veterans in training.

The Senator from Ohio [Mr. TAFT] raised some question about that amendment. I agreed that it should go over, so that a conference might be held with the Senator from Ohio. On the following day, I asked the conferees on the part of the House to meet with the conferees on the part of the Senate, with the Senator from Ohio [Mr. TAFT], and with members of the Veterans' Administration. At that time we worked out a modification of amendment numbered 74.

Following that conference, however, the Senator from Ohio said he would like to have it considered by the Veterans' Affairs Subcommittee of the Committee on Labor and Public Welfare. The Senator from Florida [Mr. PEPPER] is the chairman of that subcommittee. I was in entire agreement with that suggestion, in view of the fact that the proposal, which already had been adopted by the House, was without question legislative in character. The conferees accepted it because they were convinced that it would save the Veterans' Administration more than $400,000 a year.

I have just been notified by the Senator from Florida and by the attorneys for the Veterans' Administration that the proposed modification of amendment No. 74, which I am about to offer, is acceptable to the legislative committee, on the one hand, and to the Veterans' Administration, on the other hand. I have also conferred with the Honorable ALBERT THOMAS, of Texas, chairman of the House Appropriations Committee's subcommittee in charge of the independent offices appropriation bill. I find that the proposal is agreeable to him.

Mr. President, yesterday or the day before the distinguished Senator from Illinois [Mr. DOUGLAS] offered a motion to reconsider the vote by which the Senate on Monday had approved amendment No. 46, which has to do with the Housing Expediter. I say to the Senator from Illinois that if we can first dispose of amendment No. 74, I shall then address myself to the other matter, and I hope it can be worked out also.

Therefore, Mr. President, I move——

The VICE PRESIDENT. The Chair has been considering whether the conference report is actually before the Senate. He is advised the conference report was agreed to heretofore, except the two proposals.

Mr. O'MAHONEY. It was agreed to with the exception of amendment No. 74.

The VICE PRESIDENT. Is there any objection to the present consideration of the amendment offered by the Senator from Wyoming?

Mr. BRICKER. I object.

Mr. O'MAHONEY. Mr. President, this is a privileged matter. I, therefore, move that the Senate proceed to the consideration of the amendment which is in disagreement. I may say, Mr. President, this is an appropriation bill which carries in excess of $7,000,000,000, of which more than $5,000,000,000 has been appropriated for the Veterans' Administration. It is long overdue. More than 33 Government agencies and corporations are involved in the matter. The Senate only yesterday was forced, because of delay in the consideration of an appropriation bill, to adopt a resolution continuing certain appropriations until September 15. I feel, therefore, that the disposition of the Senate should be to consider the amendment as a privileged matter.

The VICE PRESIDENT. The motion is in order. It does not displace anything else, if adopted, because it is privileged.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield.

Mr. FERGUSON. Will the Senator advise the Senate as to the number of employees who will be required to be put on the pay roll by virtue of the amendment?

Mr. O'MAHONEY. I may say to the Senator that the provision, item No. 3, to which that criticism was directed, has been omitted completely from this amendment, and to the best of my knowledge this amendment will not require the employment of any additional personnel.

Mr. FERGUSON. I wanted it to be in the RECORD that this particular amendment does not require the number of employees who would have been required under the previous amendment, which was not voted upon at the time the bill was before the Senate.

Mr. O'MAHONEY. When the matter was discussed in the Senate on Monday, the Senator from Michigan and the Senator from Vermont [Mr. AIKEN] drew attention to a paragraph of the amendment which the Senator from Vermont said in his opinion would probably cause the employment of additional persons. Inasmuch as it was legislative in character, in the conference with the House, I said it should be eliminated. It was eliminated. The House is agreeable to its elimination.

Mr. FERGUSON. Is it correct to say that the present staff and organization will be able to administer the program?

Mr. O'MAHONEY. That is my understanding. And, more than that, if the amendment is adopted it will save upwards of $400,000 a year in fees which otherwise would be paid by the Veterans' Administration.

Mr. FERGUSON. Mr. President, will the Senator yield for another question?

Mr. O'MAHONEY. Certainly.

Mr. FERGUSON. As I understand, full protection is given to the right of appeal, so that reasonable tuition may be charged by any of the institutions.

Mr. O'MAHONEY. Precisely. Provision is made for the appointment of an appeals board to which any institution which may be dissatisfied with a ruling of the Administrator may take its appeal. The appeal will be conducted under the provisions of the Administrative Procedure Act.

Mr. FERGUSON. If I may inquire further, am I correct in understanding that no legal rights are taken away from any veteran or from any educational institution?

Mr. O'MAHONEY. No legal rights whatever are taken away. Not only that, but the amendment which the Senate originally inserted, upon my motion, that no pending litigation should be affected in any way, still remains in the proposal.

Mr. FERGUSON. One more question. Is the Senator from Wyoming satisfied that all educational institutions are given a fair opportunity to enter into the program of the education of veterans?

Mr. O'MAHONEY. Mr. President, I should like to have the Senator from Florida, the chairman of the subcommittee which conducted the negotiations with the Senator from Ohio [Mr. TAFT], answer that question.

Mr. BRICKER. Mr. President——

Mr. PEPPER. Mr. President, will the Senator kindly restate the inquiry?

The VICE PRESIDENT. The Senator from Wyoming has yielded to the Senator from Florida.

Mr. BRICKER. I merely wanted to withdraw the objection, if the Senator does not mind.

Mr. O'MAHONEY. I am very happy to yield for that purpose.

Mr. BRICKER. In view of the explanation given by the Senator from Wyoming, I withdraw the objection.

The VICE PRESIDENT. The objection is withdrawn.

Mr. FERGUSON. The Senator from Michigan wanted to obtain some answers to certain questions on this subject, because it is important for the Senate to know what we are about to do.

The VICE PRESIDENT. Does the Senator from Wyoming yield further?

Mr. O'MAHONEY. I am very happy to yield to the Senator from Florida.

Mr. FERGUSON. A somewhat similar bill has been before the Committee on Labor and Public Welfare, the purpose of which is to accomplish about what this amendment does. Is that correct?

Mr. PEPPER. I shall state in answer to the able Senator that what the committee did was this: After it had been worked out in negotiation between the representatives of the private schools and the Veterans' Administration, with the Senator from Ohio [Mr. TAFT] and myself sitting in the discussions, and this agreement had been arrived at, the agreement was then submitted to the full Committee on Labor and Public Welfare and was approved by that committee.

Mr. FERGUSON. But a bill somewhat similar has been before the committee, and has been considered, has it not?

Mr. PEPPER. That is correct. Not only that, but our Subcommittee on Veterans' Affairs held hearings on that proposed legislation.

Mr. FERGUSON. This amendment having been considered by the full committee, is it the feeling of the Senator from Florida that the amendment will be a substitute for or take the place of the bill on which hearings were held?

Mr. PEPPER. The language now proposed to be added to the conference report would be what the committee would recommend as legislation on the subject after having had hearings upon it.

Mr. FERGUSON. So, in place of this being merely legislation by the Appropriations Committee, it has had the consideration of the regular legislative committee, has it not?

Mr. PEPPER. It has; the subcommittee and the full committee.

Mr. FERGUSON. Another question. Does the Senator believe that amendment, as now framed, will be fair to all private and public institutions?

Mr. PEPPER. The representatives of the private institutions affected, speaking also for the public institutions which train veterans, have agreed to the draft which is now before the Senate. The Veterans' Administration representatives have also said they have been sitting in on the negotiations and they have no objection. We feel it is fair both to the Government and to the institutions affected.

Mr. FERGUSON. I thank both Senators for the explanation, because I think it will make the RECORD a little clearer. I hope the Senators will pardon me for asking questions.

Mr. O'MAHONEY. I am very happy the Senator from Michigan asked the questions. It was in order to apprise him fully of the character of the amendment that I handed him a copy of it before I made the motion.

Mr. FERGUSON. Mr. President, the Senator from Michigan wanted the answers in the RECORD, so there would be no question about the proper interpretation of the amendment.

Mr. O'MAHONEY. Mr. President, I move that Amendment No. 74 be modified in accordance with the proposal I now offer. I assume, the objection having been withdrawn, unanimous consent has been granted for its consideration.

The VICE PRESIDENT. Unanimous consent is granted for the present consideration of the amendment. The clerk will state the amendment offered from the floor by the Senator from Wyoming.

The LEGISLATIVE CLERK. Mr. O'MAHONEY proposes the following substitute for the House amendment to Senate Amendment No. 74 to House bill 4177:

shall not, in the absence of substantial evidence to the contrary, be considered avocational or recreational when a certificate in the form of an affidavit supported by corroborating affidavits by two competent disinterested persons has been furnished by a physically qualified veteran stating that such education or training will be useful to him in connection with earning a livelihood: *Provided further*, That no part of this appropriation for education and training under title II of the Servicemen's Readjustment Act, as amended, shall be expended subsequent to the effective date of this act for subsistence allowance or for tuition, fees, or other charges in any of the following situations:

(1) For any veteran for a course in an institution which has been in operation for a period of less than 1 year immediately prior to the date of enrollment in such course un-

less such enrollment was prior to the date of this act.

(2) For any course of education or training for which the educational or training institution involved has no customary cost of tuition, until a fair and reasonable rate of payment for tuition, fees, or other charges for such course has been determined. In any case in which one or more contracts providing a rate or rates of tuition have been executed for two successive years, the rate established by the most recent contract shall be considered to be the customary cost of tuition notwithstanding the definition of "customary cost of tuition" as hereinafter set forth. If the Administrator finds that any institution has no customary cost of tuition he shall forthwith fix and pay or cause to be paid a fair and reasonable rate of payment for tuition, fees, and other charges for the courses offered by such institution. Any educational or training institution which is dissatisfied with a determination of a rate of payment for tuition, fees, or other charges under the foregoing provisions of this paragraph shall be entitled, upon application therefor, to a review of such determination (including the determination with respect to whether there is a customary cost of tuition) by a board to be known as the Veterans' Tuition Appeals Board consisting of three members, appointed by the Administrator for such purpose. Such board shall be subject, in respect to appointment, hearings, appeals, and all other actions and qualifications, to the provisions of sections 5 to 11, inclusive, of the Administrative Procedure Act, approved June 11, 1946, as amended. The decision of such board with respect to all matters shall constitute the final administrative determination. In no event shall the board fix a rate of payment in excess of the maximum amount allowable under the Servicemen's Readjustment Act, as amended. The term "customary cost of tuition" as employed herein and in paragraph 5, part VIII, Veterans' Regulation No. 1 (a), as amended, is regarded as that charge which an educational or training institution requires a nonveteran enrollee similarly circumstanced to pay as and for tuition for a course, except that the institution (other than a nonprofit institution of higher learning) is not regarded as having a "customary cost of tuition" for the course or courses in question in the following circumstances:

(a) Where the majority of the enrollment of the educational and training institution in the course in question consists of veterans in training under Public Laws 16 and 346, Seventy-eighth Congress, as amended; and

(b) One of the following conditions prevails:

1. The institution has been established subsequent to June 22, 1944.

2. The institution, although established prior to June 22, 1944, has not been in continuous operation since that date.

3. The institution, although established prior to June 22, 1944, has subsequently increased its total tuition charges for the course to all students more than 25 percent.

4. The course (or a course of substantially the same length and character) was not provided for nonveteran students by the institution prior to June 22, 1944, although the institution itself was established before June 22, 1944: *Provided further*, That nothing in the foregoing proviso shall be construed to affect adversely any legal rights which have accrued prior to the date of enactment of this act, or to affect payments to educational or training institutions under contracts in effect on such date.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming as a substitute for the House amendment to Senate amendment numbered 74 to House bill 4177.

Mr. WHERRY. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. WHERRY. I should like to ask the distinguished Senator, since the amendment is a very long one, whether all its language is new language.

Mr. O'MAHONEY. No. Most of it is in the conference report.

Mr. WHERRY. I was particularly interested in that part of the amendment which provides that nothing contained in it shall affect the legal rights of veterans which they had prior to the enactment of the act. To what does that language have reference?

Mr. O'MAHONEY. There have been some suits filed in court. When the Veterans' Administration representatives appeared at the hearing, if the Senator was there he will recall that the chairman raised the question that we should not put anything into the bill which would adversely affect any pending litigation.

Mr. WHERRY. That is the reason why I asked the question. I wanted to know that the language gives the veterans every protection which they had.

Mr. O'MAHONEY. That is correct.

Mr. WHERRY. Is it the opinion of the Senator that this amendment does protect their rights, and that its adoption will in no way affect them?

Mr. O'MAHONEY. That is correct.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. THOMAS of Oklahoma. Is it not a fact that an amendment was considered and approved by the committee a year ago providing that returned veterans could make application to take a course in flight training in order to learn to fly and to make a living after they had completed the course?

Mr. O'MAHONEY. That is correct.

Mr. THOMAS of Oklahoma. Another question, if I may. Is it not a fact that the Veterans' Administration, in interpreting the law, have turned down for one reason or another, practically all veterans who made application, and that the record shows that a great number of veterans who wanted to learn to fly and who thought the law permitted them to take such a course, have been turned down.

Mr. O'MAHONEY. There was substantial evidence before the committee to that effect, but, as the Senator from Oklahoma knows, the amendment which he offered was adopted in a manner agreeable to him, and the language is in the amendment which has just been read.

Mr. THOMAS of Oklahoma. Another question, if the Senator will yield further.

Mr. O'MAHONEY. I yield.

Mr. THOMAS of Oklahoma. Is it not a fact that in considering the amendment I offered the committee required every veteran to make an affidavit that he is telling the truth, that he wants to learn to fly, and that he wants the training so that he can get a job and follow it as an avocation?

Mr. O'MAHONEY. The language of the amendment is that the training will be useful to him in connection with earning a livelihood.

Mr. THOMAS of Oklahoma. Another question, if the Senator will yield.

Mr. O'MAHONEY. I yield.

Mr. THOMAS of Oklahoma. Is it not a fact that the veteran has to provide an affidavit for himself, which is not required of any other person in America, and, in addition to making his own affidavit that he is telling the truth and that he is sincere, he must get the affidavits of two disinterested persons as to his honesty and sincerity? Is not that provision contained in the amendment?

Mr. O'MAHONEY. That is the amendment as the Senator agreed to it.

Mr. THOMAS of Oklahoma. Another question, if I may inquire further. Does the Senator know of any other provision in existing law whereby any veteran, having served honorably in the armed forces, is forced to make such affidavits in order to take a course in any college in America?

Mr. O'MAHONEY. I know of no such case.

Mr. THOMAS of Oklahoma. Then the Senator knows of no case in which a person not only has to make his own affidavit, but has to get the affdavits of two disinterested persons to the fact that he is sincere and honest?

Mr. O'MAHONEY. The Senator is correct.

Mr. THOMAS of Oklahoma. Does not the Senator think that is a matter of hardship?

Mr. O'MAHONEY. I will say to the Senator that this is the amendment as the Senator from Oklahoma approved it, as the committee approved it, and as the Senate approved it.

Mr. THOMAS of Oklahoma. My amendment was not in that form when it was submitted.

Mr. O'MAHONEY. That is correct.

Mr. THOMAS of Oklahoma. When the representatives of the Veterans' Administration came before the committee they were not in agreement with my amendment. They did not want any amendment. They did not want veterans to take flight-training courses, apparently. I want the RECORD to show the facts. It is my amendment, and I have a right to have it interpreted.

Mr. O'MAHONEY. Certainly.

Mr. THOMAS of Oklahoma. I want the record to show that I never agreed until I had to. Sometimes I do agree when I have to. I do not like to.

Mr. O'MAHONEY. We all do.

Mr. THOMAS of Oklahoma. I did not agree, until I had to, in order to get something in behalf of the veterans, that they would have to have two affidavits that they were honest, sincere, and worthy to be enrolled in a flight-training course. That was the best we could get. I hope the amendment will be agreed to, but I want to apologize to every veteran in America for the fact that Congress is imposing upon them something which is not imposed upon anyone else in the United States.

The VICE PRESIDENT. The question is on agreeing to the amendment

offered by the Senator from Wyoming to the amendment of the House to Senate amendment No. 74 to House bill 4177.

The amendment was agreed to.

The VICE PRESIDENT. Without objection, the amendment as amended is agreed to.

Mr. O'MAHONEY. Mr. President, the junior Senator from Illinois [Mr. DOUGLAS] entered a motion to reconsider the vote by which item 46 of the conference report was agreed to. This is the amendment which deals with the appropriation for the Office of the Housing Expediter. I think that an explanation of the situation in which the Senate finds itself is in order.

It will be recalled that this was an appropriation to enable the Executive to enforce the provisions of the Rent Control Act of 1949. The consequence of the enactment of legislation only during this session was that this appropriation was not presented to the House of Representatives, so when the independent offices appropriation bill came to the Senate, there was in it no provision at all for an appropriation for enforcing the Rent Control Act.

The first budget estimate dealing with this matter was submitted to the Senate committee. It was submitted in the sum of $26,750,000. The committee reduced the amount below the budget estimate, and when the matter came to the floor for action a motion was made to make an additional reduction.

The recommendation of the Senate Committee on Appropriations was for the sum of $24,075,000. That recommendation, which was $2,675,000 less than the budget estimate, was made in the belief that the personnel provided for would be necessary to enforce the new Rent Control Act. However, when the matter came up on the floor of the Senate for discussion, a motion was made to cut the item to $21,667,500. On behalf of the Committee on Appropriations I resisted that amendment to the best of my ability, believing that it would be an excessive cut. My arts of persuasion were not sufficient to induce the Senate to defeat the additional cut, so we went into conference with $21,667,500.

In the conference, the conferees on the part of the House argued that the amount was still too high. They argued that the rent-control function of Government was a diminishing function and that in all probability it would not be necessary to spend the money which was recommended.

The conferees on the part of the Senate did their utmost to retain the Senate figure, but they were unsuccessful. It was understood, however, by the conferees on the part of the House and the conferees on the part of the Senate, that if the Housing Expediter were unable to make a sufficient reduction of personnel and of expenditures, in other words, if the demand for rent control in the United States continued, it would be without objection upon the part of the committee if he should submit later a request for a deficiency appropriation. The committee on conference felt that in January, for example, it would be much clearer whether or not the appropriation could be cut. There never was any intention on the part of the conferees of the Senate or upon the part of the conferees of the House that by the denial of funds the operation of the law should be prevented.

In order to confirm that understanding, I yesterday and again today conferred with the gentleman from Texas, the Honorable ALBERT THOMAS, chairman of the conferees on the part of the House, and he confirmed the impression I have just related to the Senate. That was the feeling of the House conferees.

So I say to the Senator from Illinois [Mr. DOUGLAS] the Senator from Alabama [Mr. SPARKMAN], and the Senator from South Carolina [Mr. MAYBANK], who made such a valiant fight on the floor of the Senate in support of the position of the Senate committee, that there will be no disposition on the part of the House conferees to oppose a deficiency appropriation if it be necessary later. But I must say that the disposition of the House conferees is that this appropriation should not be increased above that which was contained in the conference report. If the Senate should by any chance vote to increase the appropriation over the figure approved by the conferees, $17,500,000, it would result only in requiring another conference, in which I am sure the conferees on the part of the Senate would have to yield.

An unfortunate circumstance, Mr. President, has arisen, however, in that the continuing resolution which was adopted on the floor of the Senate yesterday does not include the Housing Expediter. So there are no funds available now to finance the activities of the Housing Expediter. That arises by reason of the fact that since the budget estimate was submitted to the Senate for the first time, no appropriation has ever been made for the Housing Expediter under the Act of 1949, and therefore the continuing resolution affords him nothing.

It becomes necessary, therefore, Mr. President, to offer an amendment to Item 46 which would have the effect of making available, and confirming and ratifying expenditures now about to be made under this appropriation for the support of the Housing Expediter.

Mr. President, it will therefore be my purpose to ask unanimous consent that the motion to reconsider be agreed to and I shall then offer this amendment. But I hope the Senator from Illinois, who presented the motion to reconsider, will recognize the position in which the Senate conferees find themselves, and that he will not press, certainly in the light of the explanation I have made, which will be confirmed by the Representative from Texas, for an increased appropriation.

The VICE PRESIDENT. The question is on agreeing to the motion to reconsider.

Mr. WHERRY. Mr. President, it is my understanding that the distinguished Senator from Wyoming has asked unanimous consent that the motion to reconsider be vacated.

The VICE PRESIDENT. No; that it be agreed to.

Mr. O'MAHONEY. That it may be agreed to, in order that I may offer this ratifying amendment.

Mr. WHERRY. The motion could be offered anyway, whether there were unanimous consent or not.

Mr. O'MAHONEY. I was merely trying to obviate the necessity of debate.

Mr. WHERRY. I understand. The point I wanted to raise was that, whether or not unanimous consent were given, a motion could be made.

The VICE PRESIDENT. The pending motion is the motion to reconsider.

Mr. WHERRY. I understand. I desire to ask a question or two, and I do not really care to hold up the unanimous-consent request. I realize that even though I did, the Senator could move to bring the matter up.

I should like to ask one question, with the understanding that I am not opposed to immediate consideration of the motion. The question is, did the distinguished Senator say that it was the consensus of the Senate conferees that we will be asked to make this appropriation in a deficiency bill which will come up before the Senate and that it would be looked upon with favor? I did not quite understand the Senator's statement.

Mr. O'MAHONEY. The Senator has expanded it. What I said was that it was recognized in conference that if this sum were not sufficient to carry out the obligations imposed by law upon the Housing Expediter, the conferees would have no objection to the Expediter making his request for a deficiency appropriation.

Mr. WHERRY. That would not come in a deficiency bill this year? It would come up next year?

Mr. O'MAHONEY. Yes; in January.

Mr. WHERRY. If the report is agreed to, there is no intention, is there, that the appropriations which the Senator from Illinois might feel are necessary to carry out the provisions of the law, will be placed in a deficiency bill which will have to be passed before the beginning of next session?

Mr. O'MAHONEY. No. That is not my purpose.

Mr. WHERRY. Very well.

Mr. O'MAHONEY. We recognize the fact that this is a function of Government which may diminish very rapidly, and which may not. I do not know. I cannot pretend to guess. I received information this morning that many Senators have received telegrams from various parts of the country expressing hope that rent control would not be killed by reason of lack of funds.

Mr. WHERRY. Is the amendment one that must be adopted by both Houses?

Mr. O'MAHONEY. The bill is in conference.

Mr. WHERRY. I mean the amendment the Senator expects to offer in the event the motion to reconsider prevails.

Mr. O'MAHONEY. I understand from Representative THOMAS that this ratifying amendment, which applies to only a few days, is acceptable to the House Members.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CAIN. May I ask the Senator from Wyoming if he will be so kind as to read the amendment he seeks to offer if the motion to reconsider prevails.

Mr. O'MAHONEY. Yes; I shall be very happy to do so.

The VICE PRESIDENT. The Chair will say that the question is on the request of the Senator from Wyoming [Mr. O'MAHONEY] that the motion to reconsider the vote by which the Senate a few days ago agreed to the House amendment to Senate amendment No. 46, be agreed to. Is there objection?

Mr. BRICKER. Mr. President, reserving the right to object, I have no personal objection to the continuing of these functions at all, or to the amendment as it will be submitted by the chairman of the committee. But I should like to have some advice as to whether or not the motion of the junior Senator from Illinois to reconsider will be passed immediately following? If the amendment is agreed to, will the motion be presented, or pressed immediately, and will the Senator from Illinois then offer an amendment?

Mr. O'MAHONEY. Mr. President, unless the vote is reconsidered this ratifying amendment cannot be considered. That is the parliamentary situation. But I have expressed the hope to the Senator from Illinois that when reconsideration is granted he will not seek to have the Senate increase the appropriation, because I do not believe agreement to such a request can be obtained. And I would be opposed to such a move.

Mr. BRICKER. I appreciate the parliamentary situation, but I should like to have some assurances whether or not the amendment of the Senator from Illinois will be pressed at this time, and whether or not he has agreed or will agree not to press his motion to reconsider.

Mr. O'MAHONEY. Mr. President, he must press the motion to reconsider. But the question the Senator is asking, I suppose——

Mr. BRICKER. I mean the amendment by the Senator from Illinois to increase the amount appropriated by the Senate.

Mr. O'MAHONEY. What the Senator from Illinois proposes to do in that respect I do not know.

Mr. BRICKER. That is what I want to find out, if it is possible to do so.

Mr. O'MAHONEY. That I do not know. The Senator from Ohio will have to address himself to the Senator from Illinois on that point.

Mr. BRICKER. Will the Senator from Wyoming yield so that I may request an expression from the junior Senator from Illinois as to whether or not he will comply with the request of the chairman on pressing the motion.

Mr. O'MAHONEY. I yield for that purpose.

Mr. DOUGLAS. Mr. President, I will say to the distinguished junior Senator from Ohio that I think we are faced with an action of the conference committee, chiefly on the House side, to negative a decision which the Congress took when it passed the Rent Control Act at the end of March. We passed a Rent Control Act, and at that time we heaped additional duties upon the Housing Expediter. In the first place, through no desire of the Senate, but at the real insistence of the House, we gave the Housing Expediter a somewhat complicated formula to administer, namely, that the rents should yield a fair net operating income. I was never enthusiastic about that formula. I had preferred the two simple 5-percent increases. That was the form in which it left the Senate. But when we met with the conferees on the part of the House, in order to avoid something which was still more clumsy and still more complicated, we had to agree to the formula of fair net operating income, which, of necessity, threw a great additional administrative burden upon the rent-control offices all over the country. So that was the first big added job which we gave them.

At the same time we provided that they should give administrative help to landlords and tenants in the filling out of forms, and that they should have a special officer in every rent-control office to provide this service, which meant, of necessity, an additional expense.

Then we said that the Housing Expediter could initiate prosecutions for violations of the act, and he should not merely leave these prosecutions to aggrieved parties.

Finally we gave to the Housing Expediter control over evictions. In other words, we greatly added to the administrative burdens which the Housing Expediter had to carry to make the rent control law work.

Now, in the face of those added duties, the Senate cut the appropriations for administration from the $22,250,000 which had been expended in the preceding year, and from $26,750,000 which the Director of the Budget had recommended. The Senate itself by a very narrow margin, 45–42, cut these figures to $21,666,666.

Now, on top of that we have this further cut of more than $4,000,000, bringing the figure down to $17,500,000 or $4,166,166 roughly, less than the amount the Senate approved, more than $9,000,000 less than the amount which the Director of the Budget recommended, and about $5,000,000 less than the Housing Expediter expended during the last fiscal year.

I should like to point out that this cut was not contained in the formal report of the conference committee. The report of the conference committee did not say that this cut was to be put into effect. It merely stated that an amendment would be offered on the floor of the House, but the nature of it was not disclosed. When the conference report was before the House, as I understand, and I believe the RECORD will show the gentleman from Texas [Mr. THOMAS] moved that the appropriation be reduced to $17,500,000.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. O'MAHONEY. The Senator apparently overlooks the fact that the item was in the report of the managers. This was an item which was reported in disagreement. So that it was published in the CONGRESSIONAL RECORD, and it was published in the report itself. In the CONGRESSIONAL RECORD for August 15, at page 11679 I find this statement:

> That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows: In line 13 of said amendment, strike out the sum "$21,667,500" and insert "$17,500,000."

So it was printed in the CONGRESSIONAL RECORD for Monday.

Mr. DOUGLAS. Is not the distinguished Senator from Wyoming now speaking of the Senate proceedings rather than the conference report?

Mr. O'MAHONEY. The page I read from was in the Senate proceedings.

Mr. DOUGLAS. My discussion related to the proceedings before the House. What I am saying is that when the conference report was submitted to the House the text of the report merely stated that there was a disagreement, and indicated that the managers of the part of the House intended to offer an amendment, but contained no statement of what that amendment would be. Then when the question was before the House, and not many Members were on the floor, Representative THOMAS, of Texas, moved that the appropriation be reduced to $17,500,000. Friends of mine who were on the floor, and who perhaps were not paying close attention, stated that they did not understand what the motion was. It was adopted without dicussion or debate.

As the distinguished Senator from Wyoming says, almost immediately thereafter the message from the House reporting this action was placed before the Senate. Again there were very few Members on the floor. As the distinguished Senator from Woyming has said, a general statement was presented about the disagreement on six items, one of which was the reduction. But there was no discussion or debate whatsoever on this appropriation reduction. I think it is true that there were very few Members either in the Senate or in the House who realized, some not until 2 days later, that this very severe slash had been made, and the passage in the RECORD referred to by the Senator from Wyoming did not appear until the day following the action of the Senate.

I think we must face the issue frankly. If the funds are cut as proposed, in effect it will be impossible to administer the rent-control law in a great many cities of the country, and, in effect, we shall be serving a partial death warrant against the measure which we approved a few months ago. Personally I think this is legislation under the wing of the Appropriations Committee. I do not believe it is a policy which either House wishes to approve.

Mr. IVES. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. IVES. The Senator from New York has been listening with great interest to the discussion which has been going on in connection with this subject. The Senator from New York is still in doubt as to the reason why, if condi-

tions are as the able Senator from Wyoming indicates them to be, the Housing Expediter is laying off so many employees, closing so many offices, and decontrolling such a large area. Has the Senator from Illinois the answer to that question?

Mr. DOUGLAS. No; I do not think I have. I do not necessarily approve all the statements which have been made by the Housing Expediter since this reduction was voted. I do not know whether or not it will be necessary for him to lay off one-third of his employees; but I submit that in the face of the added duties which we have imposed upon him it will be impossible to administer the law effectively with $17,500,000, or a cut of nearly $5,000,000 below the sum which he had during the past year, when the duties of the office of Housing Expediter were less onerous.

Mr. IVES. Mr. President, will the Senator further yield?

Mr. DOUGLAS. I yield.

Mr. IVES. It occurs to the Senator from New York that it is very probable that the Housing Expediter does not understand the agreement which presumably has been arrived at in Congress regarding this question. He does not understand that he can go ahead in carrying out the rent control statute and expend whatever moneys may be necessary in line with the provisions of the statute, with the idea of having any deficit taken care of next January. That may be the reason why he is trying to cut his pattern in line with the proposed appropriation.

Mr. DOUGLAS. If the Housing Expediter does not quite understand what his powers are under this gentlemans' agreement, his lack of understanding is shared by the junior Senator from Illinois, who finds himself somewhat at a loss in trying to make out precisely what it is that the Senator from Wyoming is proposing.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. O'MAHONEY. Mr. President, I have endeavored to the best of my ability to make the proposal as clear as possible. I believe that what the Senator from New York has asked is based upon an assumption which is probably correct, namely, that the Housing Expediter, being absent from the city of Washington, and having heard by telegram, in all probability—or perhaps long distance telephone—that the conferees had cut his appropriation to $17,500,000, immediately began to cut his personnel and to lift controls. I think he would have been much better advised had he waited until the bill had actually passed Congress and was on the way to the President.

So far as the situation at the moment is concerned, I think it should be quite clear that this is now the only item in the bill which has not been settled. The Senator from Wyoming is doing his best to secure an amendment to this provision whereby expenditures which the Housing Expediter now finds it necessary to make will be ratified, although he has no appropriation, without which ratification he would be in violation of the law. Unless we approve it, he will confront additional difficulties. So also will all of us who want rent control to be maintained until, as prescribed in the law, the facts clearly indicate that it should be lifted.

I have stated that the understanding of the conferees was that since the function of rent control is likely to be a diminishing function, the House conferees, believing that it would cost much less than $21,667,000, as provided by the Senate, to carry on the operation for a year, and believing that $17,500,000 would be ample, were nevertheless of the opinion that it was not the purpose of the House conferees or of the Senate conferees to force the lifting of controls by the denial of funds, but that they clearly foresaw that if necessity required an additional appropriation there would be no objection to the Housing Expediter returning, say, in January, to seek a deficiency appropriation. In the meantime the necessary expenditures could be made out of the $17,500,000. It has been done before, and it will be done again.

Mr. DOUGLAS. Will the distinguished Senator from Wyoming inform we what sort of reception the Housing Expediter would likely experience if he were to come back in January and ask for a deficiency appropriation? The Senator from Wyoming says that such a request would be received; but in what spirit would it be received? I am sure that, with the usual graciousness of the Senator from Wyoming, he would not turn anyone away from his door. But gracious as the Senator would be, would his graciousness be accompanied by any funds? That is the question.

Mr. O'MAHONEY. I will say to the Senator that in my opinion, if rent control is still a social necessity in the United States, it will be so clearly demonstrated when January comes that there will be very little objection on the part of a majority of the Senate and of the House to granting the funds necessary to carry on.

Mr. DOUGLAS. May I ask the distinguished Senator from Wyoming a further question?

Mr. O'MAHONEY. Certainly.

Mr. DOUGLAS. Would the Senator from Wyoming favor an additional amendment, or a modification of his amendment, which would authorize a faster rate of expenditure than that contemplated under the $17,500,000 appropriation, namely, that during the coming months the Administrator may spend at a rate greater than one-twelfth of $17,500,000, and state that the Appropriations Committee would regard it as a moral obligation to see that the law which Congress passed is adequately enforced?

Mr. O'MAHONEY. I would love to do something of that kind, but I find that the Senate and the House are already locked in disagreement over a similar proposal on another bill.

But I say to the Senator from Illinois that in the past the practice has been that the statement of the respective chairmen of the two committees, which I now have made here, is regarded as a sufficient recognition of necessity to enable the matter to proceed in accordance with the necessities.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield for a question.

Mr. FERGUSON. I wish to inquire whether it is at least advisory to the executive branch to use the fund in the way suggested by the Senator from Wyoming.

Mr. O'MAHONEY. Yes; of course it is advisory.

Mr. IVES and Mr. CAIN addressed the Chair.

The VICE PRESIDENT. Does the Senator from Illinois yield; and if so, to whom?

Mr. DOUGLAS. For what purpose does the Senator wish me to yield to him?

Mr. IVES. I wish the Senator to yield to me to permit me to ask a question of the Senator from Wyoming.

Mr. DOUGLAS. Very well; I yield for that purpose.

Mr. IVES. Let me inquire whether it is the understanding of the Senator from Wyoming that the Housing Expediter, in view of the previous understanding among the conferees, to which the Senator has referred, is at liberty to exceed his budget, to go beyond the amount of $17,500,000 to be allowed for the present fiscal year, and that in doing so he may expect that any deficit will be taken care of by a deficiency appropriation.

Mr. O'MAHONEY. No; that is not the understanding.

Mr. IVES. That is an important point.

Mr. O'MAHONEY. The understanding of the conference committee was that since in the belief of the members of the committee it was likely that the necessity for rent control would gradually begin to disappear, and inasmuch as various areas would be removed from rent control, and that, therefore, the necessity for maintaining offices would cease to exist, the amount of money would be ample, but that in the meantime the Housing Expediter would not be required to make an absolutely even division, into 12 equal installments, of the $17,500,000, but he could expend the money at a rate faster than that.

Mr. IVES. Mr. President, will the Senator yield for a final question?

Mr. DOUGLAS. I yield.

Mr. IVES. Then is it the understanding of the able Senator from Wyoming that the Housing Expediter must budget his own activities, no matter how he may do so; that he will be given as much latitude as he may desire, but that nevertheless he must budget his activities within the $17,500,000; and he cannot contemplate receiving any funds in addition to that amount?

Mr. O'MAHONEY. Not without the approval of Congress at a future session.

Mr. CAIN, Mr. FERGUSON, and other Senators addressed the Chair.

The VICE PRESIDENT. Does the Senator from Illinois yield; and if so, to whom?

Mr. DOUGLAS. No; I do not yield at the moment. I have been very indulgent in yielding to a number of Senators, and now I should like to have a chance to make a statement myself. I shall yield in due time, first to the Senator from Wash-

ington [Mr. CAIN], for whom I have real affection, of course.

Let me say to my distinguished friend and colleague the Senator from Wyoming that I quite realize what he has been up against. He has had a hard battle in the conference committee. I know he tried with all the zeal and energy at his command to fulfill the mandate of the Senate, and he thought he was making "an honorable peace," so to speak.

I think we can strengthen the hands of our distinguished representatives on the conference committee by adopting some affirmative language, because the Senator from Wyoming has just said that under the proposal, all the Housing Expediter can spend will be at the rate of one-twelfth of $17,500,000 a month, and that thereafter he will be afforded only the cold comfort that he can return before the committee at another session.

Mr. O'MAHONEY. Mr. President, will the Senator yield? He misunderstands what I have said.

Mr. DOUGLAS. I beg pardon; I did not mean to do so.

Mr. O'MAHONEY. I did not say that. In fact, I expressly say that the understanding of the conferees is that it will not be necessary for the Housing Expediter to divide the $17,500,000 into 12 equal installments and to confine his operations in that manner. To the contrary, in view of the fact that in all probability the operations in the last 6 months of the year will be at a very much lower rate of expenditure than will the operations in the first 6 months of the year, the Housing Expediter may so distribute the $17,500,000 between the first 6 months and the second 6 months that he will not have to deny any area of the country the necessary rent control.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I had already stated that I would yield first to my distinguished friend, the Senator from Washington. I yield now to him.

Mr. CAIN. Mr. President, let me bespeak my appreciation of the Senator's courtesy.

I am hopeful that the time has come when the Senator from Wyoming will, for the information of the Senate, read to us the amendment he seeks to offer if the motion to reconsider prevails. In fact, I think a reading of the amendment would be helpful to a good many of us who probably are not clear about the issue at stake.

Mr. DOUGLAS. I shall be very glad to have that done.

Mr. O'MAHONEY. Mr. President, there are two questions. The motion to reconsider was made by the Senator from Illinois for the purpose of bringing on a discussion of what he considers to be the inadequate appropriation. I assume it was his intention to ask the Senate to disagree with the report of the conferees, and to increase that sum. I have asked him—and I have stated what I regard to be persuasive reasons—not to do that.

The second issue is the amendment which I propose to offer to ratify the expenditures which now must be made, and without which amendment the Housing Expediter will be in violation of law.

This amendment, which is similar to amendments which have been adopted before—and which was drafted in the Bureau of the Budget, and has the approval, I understand, of the representatives of the Housing Expediter, and certainly has the approval of the Chairman of the Appropriations Committee—reads as follows:

Provided further, That the appropriation and authority with respect to the appropriation in this paragraph shall be available from and including July 1, 1949, for the purposes provided in such appropriation and authority. All obligations incurred during the period between August 15, 1949, and the date of the enactment of this act, in anticipation of such appropriation and authority, are hereby ratified and confirmed, if in accordance with the terms hereof.

Mr. President, without that amendment, as will be seen, no money whatever will be available to the Housing Expediter, in view of the fact that the continuing resolution does not cover the Housing Expediter, since there never was an appropriation for his office.

Mr. DOUGLAS. Mr. President, let me ask the Senator whether I am correct in inferring that the amendment which the distinguished Senator from Wyoming intends to offer is really dissociated from the question of how much is appropriated for the coming year.

Mr. O'MAHONEY. It is.

Mr. DOUGLAS. And it is also dissociated, is it not, from the question of whether we appropriate $17,500,000 and authorize it to be expended in a period less than a year?

Mr. O'MAHONEY. The Senator from Illinois is quite correct. They are two different questions.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. FERGUSON. I wish to ask the Senator who proposes the amendment to make it clear in the record that the amendment does not guarantee what the Senate will do in regard to a deficiency appropriation coming along perhaps in 6 months.

Mr. O'MAHONEY. Oh, no; it has nothing to do with that.

Mr. FERGUSON. But this amendment would authorize the Housing Expediter——

Mr. O'MAHONEY. It would authorize him merely to handle the day-to-day expenditures now occurring.

Mr. FERGUSON. How long would it continue?

Mr. O'MAHONEY. Until the President signs the bill.

Mr. FERGUSON. And then what would be the rate of expenditure?

Mr. O'MAHONEY. Under the law and under this proposal there is to be no change in the rate.

Mr. FERGUSON. If the $17,000,000 were used in a period of 9 months, and if it were discovered at the end of 9 months that it had all been used, there would then be no obligation on the Congress to appropriate further money in order to continue for the remaining 3 months. Is that correct?

Mr. O'MAHONEY. No. This is no invitation to the Housing Expediter to spend money which Congress has not appropriated to him. I may say to the Senator, I have been in conference with the Bureau of the Budget. Both the Bureau of the Budget and the General Accounting Office will be supervising any expenditures made, so there is no danger, as I see it, of the slightest waste of funds of or any expenditure beyond what is allowed.

Mr. FERGUSON. Mr. President, will the Senator yield for another question?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Michigan?

Mr. O'MAHONEY. I yield.

Mr. FERGUSON. Is it not a probability, since the act expires at the end of June next year, the work will be tapering off in such a way that the Housing Expediter will discover, probably after the first of the year, that he will not need more money, and that he can get along even with the $17,000,000?

Mr. O'MAHONEY. I may say to the Senator that was the positive view of the House conferees. It was the view of some of the Senate conferees. It was a view with which the chairman of the Senate conferees reluctantly agreed. But I know there are other Members of the Senate and other Members of the House who believe the lifting of rent controls is not nearly so likely to come as rapidly as some of the others believed.

Mr. FERGUSON. Mr. President, if the Senator will yield, that explanation shows that the conferees were acting upon a certain theory, and, in their opinion, in good faith, does it not?

Mr. O'MAHONEY. Absolutely.

Mr. FERGUSON. It was the purpose not to cut down a third or two-thirds, or any particular amount, was it not?

Mr. O'MAHONEY. That is correct. In other words the Senator from Michigan, who was a member of the conference, will agree with me when I say there was no intention upon the part of any conferee, whether of the Senate or of the House, to repeal rent control by denying funds.

Mr. FERGUSON. I think that is correct.

Mr. DOUGLAS. Mr. President, since we now seem to be discussing the merits of the cut rather than the parliamentary question, I hope I may be permitted to say in reply to the distinguished Senator from Michigan, the number of housing units which have been decontrolled since April 1 amounts to about 1,250,000, as compared to something like 14,250,000 which were controlled as of April 1. In other words, the reduction since April 1 has been approximately 7 or 8 percent of the total number of units—no more—and it was this reduction which in turn convinced the Senate, when we cut the appropriations from the $24,075,000 recommended by the committee to something less than $22,000,000. In other words, we have been sold this reduction once on the ground of the decontrolled units, and now our distinguished friend from Michigan comes along and sells it to us for the second time—this time, for

a cut of 20 percent, compared to the previous cut of 10 percent which the Senate made.

Mr. President, I know the pressure of work on the Senate is great, and I hope we can resolve this parliamentary tangle. I hope the Senate will consent to reconsider the measure. I shall be very glad, when that happens, to have the Senator from Wyoming offer his amendment. But I should like to tell him I probably shall have an amendment to offer at that time, too.

The VICE PRESIDENT. Is there objection?

Mr. BRICKER. I object.

The VICE PRESIDENT. Objection is heard. The Senator from Wyoming has moved——

Mr. O'MAHONEY. Mr. President, the motion before the Senate is the motion of the Senator from Illinois to reconsider. May I express to my distinguished friend from Ohio the hope that he will again withdraw his objection, because I think it is very essential in the interests of 33 Government agencies and departments to get this appropriation bill passed.

Mr. BRICKER. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Ohio?

Mr. O'MAHONEY. I yield.

Mr. BRICKER. I wish to pass the appropriation bill just as much as does the Senator from Wyoming.

Mr. O'MAHONEY. I know the Senator does.

Mr. BRICKER. I hope to expedite the proceedings of the Senate. I have delayed them but very little.

Mr. O'MAHONEY. The Senator is quite right.

Mr. BRICKER. The responsibility for this delay rests on the shoulders of the junior Senator from Illinois.

Mr. O'MAHONEY. Mr. President, in case objection is heard, there is only one course open to us, and that would be for a vote upon the motion to reconsider.

The VICE PRESIDENT. The question is on the motion to reconsider. The matter must first be brought before the Senate by a motion to consider the motion to reconsider.

Mr. O'MAHONEY. I understand that.

The VICE PRESIDENT. Objection having been made, that motion is now in order.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state the inquiry.

Mr. WHERRY. Should not the motion to reconsider be moved at this time?

The VICE PRESIDENT. That is what the Chair stated. Objection to the request of the Senator from Wyoming having been made, it is now in order to move that the motion to reconsider be taken up and proceeded with.

Mr. O'MAHONEY. Mr. President, it was my desire to do that, but I wanted to explain first what the position of the Senator from Wyoming is going to be. I do not want any of the Members of the Senate to be under any misapprehension as to what my position is. If the motion to reconsider is taken up, and if the motion to reconsider then is carried, it will be my purpose to move, first, this very essential amendment. I shall then oppose any other amendment of any other kind to the pending amendment. So, Mr. President, I move that the Senate proceed to the consideration of the motion of the Senator from Illinois to reconsider the vote by which the House amendment to Senate amendment numbered 46 was agreed to.

Mr. WHERRY. Mr. President, I do not care to speak on the motion, but I think this is a very vital matter. I am just as much interested as is the Senator from Wyoming to get the bill passed. Therefore, I think there should be a quorum call. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Hill	Millikin
Bricker	Hoey	Morse
Cain	Holland	Mundt
Chapman	Humphrey	Murray
Chavez	Hunt	Myers
Connally	Ives	Neely
Cordon	Jenner	O'Mahoney
Donnell	Johnson, Colo.	Pepper
Douglas	Johnson, Tex.	Russell
Downey	Johnston, S. C.	Schoeppel
Dulles	Kefauver	Smith, Maine
Eastland	Kem	Smith, N. J.
Ecton	Kerr	Sparkman
Ellender	Kilgore	Stennis
Ferguson	Knowland	Taylor
Flanders	Langer	Thomas, Okla.
Frear	McCarran	Thomas, Utah
Fulbright	McCarthy	Vandenberg
George	McClellan	Watkins
Graham	McFarland	Wherry
Green	McGrath	Wiley
Gurney	McKellar	Williams
Hayden	Magnuson	Withers
Hendrickson	Malone	Young
Hickenlooper	Miller	

The VICE PRESIDENT. A quorum is present.

The question is on the motion of the Senator from Wyoming to proceed to the consideration of the motion of the Senator from Illinois to reconsider the vote by which the House amendment to Senate amendment numbered 46 was agreed to.

The motion was agreed to.

The VICE PRESIDENT. The question is on agreeing to the motion to reconsider the vote by which the Senate concurred in the House amendment to the Senate amendment numbered 46.

Mr. SPARKMAN. Mr. President, I shall take very little time in discussing the motion to reconsider. I am certainly hopeful that the Senate will vote to reconsider for two purposes, in order that the amendment which is to be offered by the Senator from Wyoming may be offered, and, furthermore, that we may consider the amendment which is to be offered by the Senator from Illinois [Mr. DOUGLAS].

Mr. President, I do not wish to take very much time, but I believe we should bear in mind very carefully what the result will be unless we do reconsider, and unless we do agree to some amendment or to some arrangement whereby the Housing Expediter may have sufficient funds with which to operate his office.

It was not many months ago that the Senate voted for a rent control measure, the House voted for it, the conference committee agreed on the final form of it, and it was agreed to by both the House and the Senate, giving the Expediter a much heavier load than he had last year. For some reason the House did not provide in the appropriation anything this year for the Housing Expediter's Office. When it came before the Senate committee, the committee cut the appropriation 10 percent below the budget amount. When it came on the floor of the Senate, the Senate cut it another 10 percent. Then when it went to conference, the House not having appropriated anything, the committee of conference cut it another 20 percent. So having imposed a certain burden upon the Office of the Housing Expediter, having directed him to maintain rent control until June 30, 1950, we yet are cutting by 40 percent the amount the Budget Bureau have said he would need in order to administer his office properly. We are here today with that situation before us.

Something has been said about the statement made by the Expediter in Cleveland, Ohio, to the effect that he would have to eliminate at least one-third of the rental areas of the United States, or discharge one-third of his employees. Personally, I wish the Expediter had not made that statement. Personally, I hope that those are not the only two alternatives. Yet we might as well be realistic about this matter. He cannot hope to operate with a 40 percent cut in such a way as to carry on the job we gave him to do.

There is no wonder that Senators and Members of the House are now receiving frantic calls and telegrams from their home areas because of the removal of rent control that is threatened throughout the country. I believe we should go into this matter with our eyes open, understanding what we are doing, what we are willfully doing.

We have heard a statement today to the effect that the Expediter can come to Congress in January for a deficiency. I wish to commend the very able Senator from Wyoming for the excellent work he has done in his effort to work this matter out. But I think we should be fair with ourselves, and I think we should be fair with Mr. Woods. We know what is going to happen if he comes before the Appropriations Committees of the two Houses in January asking for a deficiency.

In that connection, I thought that when we passed the Reorganization Act of 1946 we set as an objective doing away with deficiency appropriations. Yet it seems that we are doing everything we can to build them up, and here we are, inviting a man to come to Congress in January and ask for a deficiency appropriation. I can imagine the treatment he will get when he appears before the Committees on Appropriations.

Mr. KNOWLAND. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield to the Senator from California.

Mr. KNOWLAND. I perhaps missed the first part of the Senator's remarks, but with reference to the statement that there is something in the report which

suggests that the Expediter can come to Congress looking for a deficiency in January——

Mr. SPARKMAN. I did not say that was in the report. I understood it to be in the statement of the Senator from Wyoming today.

Mr. KNOWLAND. As one Member of the Senate, I certainly do not look with favor on encouraging any Government department to think it can spend the money appropriated to it, and then come to Congress and expect to get a deficiency appropriation. I certainly hope that neither the Expediter nor any other official of the Government, will go ahead spending money on the theory that Congress will provide him with deficiency funds, because I think he will be disappointed.

Mr. SPARKMAN. I agree with everything the able Senator from California has said. I believe we should discourage deficiency appropriations. Yet we are doing two things; we are working both sides of the street, as it were. We are implying that when the Expediter comes to Congress in January he can get a deficiency appropriation. Yet we stand here and say, "Do not come back here for a deficiency appropriation." What is he going to do? We criticize him for saying that he is going to have to discharge one-third of his employees, or decontrol one-third of the rental areas in the United States. Yet he is going on his way, he will run out of funds shortly after the first of the year, and then quit completely, in spite of the fact that Congress has told him to go on until June 30, 1950, or he must get rid of one-third of his employees, which I think is a fair inference, because we cut the appropriation 40 percent; or he must decontrol some of the area. Something has to be done to cut down, with the funds he will have, or we will hold out the hope that he can come back to Congress in January and ask for a deficiency.

Mr. KNOWLAND. I think the problem he has is very clear. Congress appropriates a given number of dollars. That appropriation is to cover a 12-month period. Under the antideficiency law, I do not think he has any right to try to spend that money in a 6-month period. He will have to cut his cloth to fit the appropriation. Obviously, he cannot run his office for 12 months on the same scale on which he has hitherto operated, with two-thirds of the money heretofore appropriated. So I think he probably will have to cut his force. I think that is really the only alternative he does have, under all the circumstances. For him to go on spending at the same rate, and exhaust his funds, and come back for a deficiency, I do not think would be complying with the antideficiency law.

Mr. SPARKMAN. The only thing I am saying is that we should be definite; the Expediter ought to know what he can do. I submit to the Senator from California that if he has listened to the statement made on the floor of the Senate this afternoon, and has tried to find out what the Expediter ought to do, he will agree it is not shown very clearly, as clearly as the able Senator has stated it. I believe that certainly there is the implication all the way through—I think there is a general understanding—that the Expediter is invited to come before the Appropriations Committees in January and justify, if he can, additional appropriations. I do not think there is any question about that. I am merely saying, as I think the Senator from California was saying, that I do not believe that is the way for us to act.

Mr. MYERS. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield to the Senator from Pennsylvania.

Mr. MYERS. Does the Senator believe that with this reduction in appropriations the Housing Expediter can effectively enforce the Rent Control Act as passed by the Congress?

Mr. SPARKMAN. I certainly do not. When we passed the Rent Control Act in February, I believe it was, it was a Rent Control Act. It was not a Rent Decontrol Act. It said so in so many words.

Mr. MYERS. Does the Senator have any knowledge of what has happened in those areas which have been decontrolled since April or May of this year?

Mr. SPARKMAN. I do not have the record before me, but I have seen some statements to the effect that in some areas rent has gone up sharply. In other areas there has not been such a great increase. I remember it has been stated that in some areas in Texas rents have gone sky high. At one place in Georgia I understand the rents went so high that the people voluntarily asked that rent control be reinstated.

Mr. MYERS. Does the Senator feel that if this reduction is approved by the Senate, and the motion to reconsider is not agreed to, it will be necessary for the Housing Expediter to decontrol some other areas which he thinks should not be decontrolled?

Mr. SPARKMAN. I do not see how he can possibly avoid it. In other words, if we, by our action, bring about a cut, he will have no alternative other than to proceed with a decontrol rather than a control program. Bear in mind that decontrol would be coming right along with cold weather, at a time when people must have adequate shelter, and must pay the rent, whatever the increase may be.

As I see the situation—and I want to make my position clear—Congress has marched up the hill, and now we are marching down the hill. Three or four months ago we passed a Rent Control Act, and today we are decontrolling.

Mr. MYERS. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. MYERS. Does the Senator believe that the friends of rent control, those who firmly believe that rent control is still necessary, should support the motion to reconsider?

Mr. SPARKMAN. By all means.

Mr. MYERS. And does not the Senator believe that the enemies of rent control throughout the country, the lobbyists and the groups that beseech both branches of the Congress, welcome this cut, and hope that through the back door they may effectively destroy rent control, although the act provides that rent control shall continue until June 1, 1950?

Mr. SPARKMAN. I certainly do.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CAIN. Would the Senator from Alabama permit me to make one very brief observation to the Senator from Pennsylvania?

Mr. SPARKMAN. If I may have unanimous consent to do so without losing the floor.

The VICE PRESIDENT. Without objection, the Senator from Alabama may yield for that purpose.

Mr. CAIN. Mr. President, I should like to state to my friend, the Senator from Pennsylvania that should the junior Senator from Illinois offer a motion, which, as I understand, is not before the Senate, I shall in rather thorough fashion attempt to explain to the Senator from Illinois and other interested Senators what has actually been the experience in those cities which have been decontrolled in the last several months.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. KNOWLAND. I do not like to be repetitious on this matter, but, speaking as a member of the Appropriation Committee, I should not want the RECORD to stand that by whatever action we take in the Senate today there is any implication whatsoever that either this Government official or any other Government official is being invited to come to Congress for a deficiency appropriation. I feel that any head of a bureau or a department who deliberately spends in a lesser period than 1 year the entire funds allotted him by the Congress of the United States on an annual appropriation basis, does so in violation of the law, and I believe the Appropriations Committee itself and the Senate of the United States, or the House, and the House Committee on Appropriations, would be amply justified in turning down any such request for money that was spent in violation of the law. I think the RECORD ought to be perfectly clear, so the Expediter will not get into any trouble in this situation.

I fully agree with the able Senator from Alabama that if we once embark upon a deficiency-spending program and invite officials to ignore the appropriations voted by the Congress and come to Congress with requests for deficiency appropriations because of having spent the money appropriated for a whole year within a lesser period of time, we lose all control of the purse strings, all control of the budget, and I think that is bad public policy. So I would not want any implication to exist that the Housing Expediter is being encouraged by the Senate of the United States.

Mr. MYERS. Mr. President, will the Senator yield?

Mr. SPARKMAN. I shall yield in a moment. I appreciate the very clear statement the able Senator from Cali-

fornia has made for himself. But I must say to him that during the time he was probably unavoidably absent from the floor various statements were made with reference to this situation, and I certainly cannot believe that I am the only Member of the Senate who got the rather clear implication that there was more or less of an understanding that the Expediter would take this fund and operate with it the best he could until Congress comes back in January; that the Director of the Budget and the Comptroller General would be checking on the expenditures of these funds to see that they were properly expended by the Expediter to do the best job he could, but then for him to come back in January, or when Congress comes back into session. I may have misunderstood, but certainly to my way of thinking there was ample justification for me to feel that there was an implied invitation to the Housing Expediter to Congress and ask for a deficiency appropriation in the event he felt it was necessary.

I may say further, Mr. President, there are other members of the Appropriations Committee on the floor who were present during the discussion, and if I have misunderstood what took place, I certainly should like to have the situation clarified.

Mr. MYERS and Mr. WHERRY rose.

The VICE PRESIDENT. Does the Senator from Alabama yield; and if so, to whom?

Mr. SPARKMAN. I yield first to the Senator from Pennsylvania, who asked me to yield a moment ago.

Mr. MYERS. Mr. President, I think the statement of the able Senator from California certainly clears the atmosphere, and I congratulate the Senator for making the statement he did. But what will be the position of the Housing Expediter when we have such statements in the RECORD? A member of the Appropriations Committee, says and properly so, he thinks the Housing Expediter could be and should be severely criticized if he did not cut his cloth in accordance with this appropriation. Undoubtedly other members of the Appropriations Committee feel the same way. Other Senators may feel differently and agree with the Senator from Alabama. But the Housing Expediter is confronted with the RECORD, where members of the Appropriations Committee, and properly so from their viewpoint, say that he should be condemned and criticized if he comes to Congress in January or February or March of next year and asks for a deficiency appropriation. That is the evil in this reduction. As the result of it, and as the result of the statement of the Senator from California—and I am delighted that he made it, because he cleared the atmosphere—the Housing Expediter may be obliged to cut his cloth in accordance with this appropriation, and therefore may have to dismiss, or will dismiss, one-third of his employees, or will be compelled to decontrol at a time when cold weather is coming on and, when the facts do not justify decontrolling many areas. I say that is the evil of this reduction. That is the dilemma with which the Housing Expediter is confronted.

I am quite confident that with the record which has been made here today the Housing Expediter may not dare, although I believe he has the right, to expend the major part of this appropriation in the first 6 months with the hope that he will be able to get by in the last 6 months with a lesser amount, or receive a deficiency appropriation from Congress. I agree, as the able Senator from Alabama has stated and as the able Senator from Wyoming has stated, that there may be justification for such a procedure, but I fear the Housing Expediter may not follow it, and I fear that if he does not, we are going to be in bad condition with respect to rent control. Undoubtedly that is the purpose of the reduction, and it is for that reason that I shall support my friend the junior Senator from Illinois.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. WHERRY. I shall ask the Senator from Alabama a question based on the point made by the distinguished Senator from California and on the point made by the distinguished junior Senator from Pennsylvania. I wish to ask the distinguished Senator from Alabama if he heard the question propounded by the junior Senator from Nebraska of the distinguished chairman of the subcommittee, the Senator from Wyoming [Mr. O'MAHONEY], at the very beginning of the discussion? My question of the Senator from Wyoming was, if the Housing Expediter did exactly as the junior Senator from Alabama has stated, whether any assurances were made to the Expediter which he could in any way interpret to mean that he might come to Congress with a deficiency appropriation request, either during the remainder of the present year or next year, so as to make up the difference? I was assured by the distinguished Senator from Wyoming that no such assurance had been given the Expediter. I thought at that time the matter was clear, because I had in mind the question of the bypassing of the Antideficiency Act, something which we in the Appropriations Committee are trying very hard to prevent.

I want the RECORD to show that that is the way I understand the situation. I join with the junior Senator from California [Mr. KNOWLAND] in the observations which he made. I think the point which he made should be very clear as we act on this question. I am not now speaking of the amount of the appropriation, or whether we agree with it or not. What I am saying is that I think no one should get the impression that we are attempting to bypass the Antideficiency Act. Neither are we encouraging the Expediter to come to Congress and get a deficiency appropriation to operate his department if he requires more money.

Mr. SPARKMAN. Mr. President, I am delighted to have the Senator from Nebraska make that statement. When he asked the question he was referring to the amendment proposed by the Senator from Wyoming [Mr. O'MAHONEY]. The Senator from Nebraska will recall that the Senator from Wyoming also made a staement in which he said that he had discussed the subject with the Budget Bureau and with the chairman of the subcommittee of the House Appropriations Committee having jurisdiction over this subject, and that Mr. Woods could be assured that when he came to Congress he would be give an courteous and fair hearing before the Appropriations Committee.

The only thing I am saying is that we ought to have a clear understanding, if we go through with the 40 percent cut, as to whether or not the Expediter is going to be able to come back in January and ask for a deficiency appropriation, or whether we are going to say to him, "Even though 4 months ago we told you to control rental property in the United States, today we are telling you to decontrol"

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CHAVEZ. I am very much interested in the statement of the Senator from Alabama. He has stated the issue as I understand it. However, there should be no confusion in the Senate as to whether or not we are to have rent control. It seems to me, from the arguments which I have heard during the afternoon, that many of us are worried over whether or not the Expediter is going to dismiss a great many employees. That is a small item as compared with the question whether or not we are to have rent control. Whether or not it is necessary to have those employees, if we carry out the idea of rent control we should make the necessary appropriations. However, our decision should not be based upon whether or not someone is going to lose a position with the Government.

Mr. SPARKMAN. Mr. President, I am glad to have the able Senator from New Mexico make that statement. I am in complete agreement with him. I am not worried about a third of the employees losing their jobs. I want to see a reduction in the number of Federal employees if it can be made without impairing necessary service.

The point I make is that the Expediter cannot carry on the job we gave him to do if he must reduce his personnel by a third. He asked for an increase. We directed him to put a man in every office in the United States to help out the small landlords and the tenants. Yet when he asked for funds to be allowed to do that, we said, "You cannot have them. Use someone who is already there." That was the effect of the argument. Following that, we cut the appropriation 20 percent more. We are saying to him, "Not only can you not employ the 400-odd additional employees you wanted, but you must let out a third of those you have." We all know, as practical minded men, that he simply cannot do the job under those conditions. Therefore I think we ought to face the issue fairly and squarely. Do we want rent control, or do we want decontrol?

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. FERGUSON. I should like to make the record clear, so far as the junior Senator from Michigan is concerned, on the question of spending over and above the amount appropriated in order to lay

the foundation for a request for a deficiency appropriation.

We have had experience with the Reclamation Service. This question arose just a few years ago. The law is clear. The Administration takes certain attitudes with respect to the law, believing that it can bypass it here and there; but it is clear.

I for one feel that we should not mislead the Administrator into believing that he can spend this money and come back for a deficiency appropriation, and that there is an obligation upon Congress to grant the deficiency appropriation. I think the Administrator in this case was wrong, but he acted in the manner which is customary with the executive branch. When Congress makes a cut, the executive department involved immediately tries to make it appear that Congress is responsible for closing down a very vital part of the administration.

Mr. Woods, the Housing Expediter, was out of the city; but immediately, without having advice from his counsel and others concerned, he announced to the world that one-third of the rent-control activity would be closed. That is why we are here at this late hour today. He has made that announcement. Probably the agency telegraphed to a third of the employees, "You are out of a job." Immediately we began to receive telegrams from the States. That is the weapon used by the executive branch over and over again. We never make any cut, no matter how small it may be, without finding the same weapon used on the Congress to compel Congress to make bigger, if not better, appropriations.

I think it is all wrong. The administration is the real pressure group. The Congress must face lobbying from the administration every time it reduces an appropriation or does not appropriate the full amount asked by the Budget Bureau.

Therefore we ought to tell Mr. Woods, as well as the President, what our position is, because the President immediately announced that Congress was to blame. Although he did not use the words "sabotaging the rent-control law," it amounted to the same thing, because the people became aroused for fear that they were going to lose rent control.

I am satisfied that the able chairman of the subcommittee has explained what the conference committee had in mind, namely, that rent control would be tapering off, and that $17,000,000 would be sufficient. While all did not agree with that, the conclusion was finally reached that rent control would be tapering off, and that at least the Housing Expediter could come back to Congress for a deficiency appropriation. If he really wanted to administer the law, $17,000,000 is still a great deal of money. I see no need for the announcement that one-third of all the areas will have to be decontrolled because he has only $17,000,000 instead of some $21,000,000. If he wanted to do the job, I believe that he would have said, "I am going to try to do it. I will take a man off here and there. We can still administer the law." Where there is a will, there is a way.

The weapon against the Congress, and the weapon which the people of the United States are facing, is the power of the executive branch to lobby for appropriations, put on pressure, and send out propaganda. What better propaganda could there be in connection with this bill than to have the President, who is front page, headline news all the time, say to the world that the Congress, by trying to reduce an appropriation, has sabotaged a law? Congress has not sabotaged the rent-control law. Congress is really trying hard to balance the budget.

I say that we must do something in Congress. We must stand firm and not be influenced by pressure, even when it is brought by the Chief Executive of the United States in an effort to make it appear that we are saboteurs of everything in America. I think we are trying to do a job. The Housing Expediter has more than $17,000,000 with which to operate his agency. Anyone who will look into the situation will see that if the man has the will, he can find a way to do this job, and not decontrol districts which he does not feel should be decontrolled.

Mr. SPARKMAN. Mr. President, I have no inclination to prolong this argument. I shall conclude with this statement:

I do not know how much pressure other Members of the Senate may have felt regarding this question. I know that some Members of the Senate have received messages, because they have spoken to me on the subject. I do not believe any Member of the Senate will act on this matter because of pressure or the force of pressure from back home. I wish to say, regarding my own case, that I have not received a single message about this matter. Some may have come in today; I have not seen my mail today, for I have not been able to be in my office at any time today. But so far as I know, I have not received a single message about this matter.

So far as my State is concerned, there are several defense rental areas in it; but just so soon as they can be decontrolled, I want them to be decontrolled; and I am not concerned about the employees there. Not a single employee there has ever said anything to me or has written to me about rent control or about keeping his job or anything else. I am not arguing this matter from the standpoint of any interest I have in regard to the continuance of rent-control offices or jobs or rent-control areas in the State of Alabama or as a result of any pressure I have received from anyone.

But, Mr. President, for a long time, back in the early part of this year, I sat as chairman of the subcommittee which held hearings on the question of rent control; and I believe we went into that question most thoroughly. Then we wrote a bill, just as thoroughly as we could; and we presented it to the Senate; and the Senate passed it. A similar bill was passed by the House of Representatives. Agreement on the differences between the two bills was finally reached between the two Houses, and the Congress thus told the Housing Expediter what to do. Now it is proposed that we take away from the Housing Expediter the funds with which to do that.

The Senator from Michigan talks about $17,500,000 and says that will be sufficient. It is easy to say that; but by dividing that amount into the amount available for the payment of employees and the amount available to the Housing Expediter to be used in other ways in performing the duties we imposed upon him, we can find what funds will be available to him to do the job that the Congress has directed him to do.

Advice on this matter has come to us not only from the Housing Expediter but also from the Director of the Bureau of the Budget and from the Senate Appropriations Committee. When the bill was first reported to the Senate, we were told that the Housing Expediter needed approximately $23,000,000 or $24,000,000. Yet the Senate decided it would trim or decrease that amount by 10 percent. That action was decided upon by a very narrow margin, with a difference of only two votes between the yeas and the nays on the roll call.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. SPARKMAN. I ask the Senator to bear with me for a moment, unless he wishes to ask a question now.

Mr. CAIN. I should like to ask a question now.

Mr. SPARKMAN. Very well; I yield.

Mr. CAIN. I appreciate the Senator's courtesy. Let me inquire whether the Senator from Alabama is willing to admit that the job which confronts the Housing Expediter on August 19 is immeasurably smaller than were his job, his responsibility, and his mission on the day when the Congress took the action to which the Senator has just referred.

Mr. SPARKMAN. No; I will not, for this reason: There has been a retrenchment in regard to the area covered, but we must remember that we are just now about to give the Housing Expediter the funds with which to administer the law. Furthermore, we now have given him more jobs to do—for instance, to help the landlords make their adjustments and to help the tenants take their appeals to the emergency court of appeals. So we have given the Housing Expediter a bigger job than the one he had before. Certainly I do not admit that the job he has now is immeasurably less.

Mr. IVES. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. IVES. I should like to ask the Senator from Alabama if it is a fact that if this appropriation as it stands now is finally passed and becomes the law, not only the tenants themselves will suffer, but the property owners also will suffer; and, as a matter of fact, is it not also true that the property owners are likely to suffer more than the tenants will suffer?

Mr. SPARKMAN. I do not know just how to measure that. I think the Senator from New York is correct, certainly, so far as the small property owners are concerned, because they will not be able to obtain the adjustments which Congress provided they should have. So I think the Senator from New York is correct. I believe there will be a great deal of confusion, that backlogs will accumulate in the offices, and the people will be dissatisfied. In other words, we shall have, not rent control, but decon-

trol. I think Senators should understand that at the time when the vote on this question is taken.

Mr. O'MAHONEY. Mr. President, I should like to add one or two words in order to attempt to make the issue a little clearer than it appears to be.

I have in mind, first, the comment of the Senator from California [Mr. KNOWLAND] with respect to the antideficiency law and the understanding of the conferees. The Senator from California was not on the floor when I made the explanation of the understanding of the conferees when they agreed to reduce the appropriation to $17,500,000.

First, Mr. President, I wish it clearly understood that, on my own part, I resisted that reduction, because from the evidence given by the Housing Expediter I was convinced that a much larger sum was necessary in order that the Rent Control Act could be administered properly. Mr. Tighe Woods appeared before our committee and told us—his words can be read in the record of the hearings—that he would lift the controls as rapidly as conditions would permit, wherever those conditions developed. I believed him. The committee believed him to the extent that it recommended the appropriation of more than $24,000,000 of the $26,000,000 budget.

Let me say that the evidence before us clearly showed that 86 percent of the new positions for which Mr. Woods was requesting appropriations were made necessary by the provisions of the Rent Control Act which the Senator from Alabama has defended so skillfully upon the floor of the Senate. Those new positions were needed because the law provided new duties, requiring the Housing Expediter to offer aid and assistance to both tenants and landlords in the handling of evictions, for example, and in the handling of rent cases. But be that as it may, the Senate committee was of the opinion that $24,000,000 was sufficient.

On the other hand, the Senate felt that that amount could be reduced. That feeling arose out of a belief that this was an operation which would gradually taper off, and that eventually the necessary monthly amount would be much less than one-twelfth of $24,000,000.

After the matter went to conference, the House conferees—being as insistent as they were that $17,500,000 was sufficient—said to the Senate conferees, and the Senate conferees in turn, said to the House conferees, "It must be clear, then, that in agreeing to this reduction, we are not attempting to repeal rent control; and we want to make it clear that if in the future the Housing Expediter believes that, in order to carry on the operation and the duties imposed upon him by the terms of the law, he needs more funds, he may come before the congressional committees and may ask for the money with which to do so."

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Certainly.

Mr. CONNALLY. What authority have the conferees to make such a statement or propose such a figure?

Mr. O'MAHONEY. I shall tell the Senator.

Mr. CONNALLY. I should like to have the Senator from Wyoming do so. I do not know of any law which would authorize the conferees to do anything except adjust the differences between the two Houses.

Mr. O'MAHONEY. The Senator from Texas is quite correct about that. But there has been many and many an occasion when conferees have made statements with respect to appropriations, and have written down in black and white that they would have no objection to a future application for a deficiency appropriation. But when the conferees did so, the agency for whom it was done clearly understood both that there was nothing binding about it and that the judgment would have to be made by the Senate and by the House when the time came.

Mr. CONNALLY. Yes; but the time comes when the money has already been spent and it is necessary to come back and ask for more.

Mr. O'MAHONEY. Oh, no; the Senator is wrong. That is what I am trying to explain. If the Senator will be good enough to bear with me for a moment, he will see the point, I am sure.

Mr. CONNALLY. What I am protesting is the matter of unofficial assurances, which have no basis in law, and which embarrass us, when the time comes.

Mr. O'MAHONEY. This will afford no embarrassment at all.

Mr. CONNALLY. How does the Senator know the same conferees will be considering it next year?

Mr. O'MAHONEY. I do not know, but I am sure that neither the preesnt conferees, the new conferees, nor even the Senator from Texas himself, will be at all embarrassed by anything the conferees have done. The question now has been raised, Is this an invitation to violate the antideficiency law? I say no. I have a copy of the antideficiency law in my hand. I read from it:

> No executive department or other Government establishment of the United States shall expend, in any one fiscal year, any sum in excess of appropriations made by Congress for that fiscal year.

And so in response to the Senator from New York and in response to the Senator from Nebraska, I said the $17,500,000, the amount agreed to by the conferees, was agreed to for the fiscal year. But the question is, How shall it be expended? Shall it be divided into 12 equal installments? Shall the Housing Expediter be required to administer his office during the first 2 or 3 months at a rate which is only one-twelfth of $17,500,000? The antideficiency law does not provide that.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question at that point?

Mr. O'MAHONEY. Certainly.

Mr. KNOWLAND. I think the able Senator from Wyoming, however, will agree with me that when the Congress of the United States makes an appropriation of $17,500,000, or whatever the sum is, it is for the purpose of operating a particular agency for the fiscal year covered by the appropriation bill.

Mr. O'MAHONEY. That is correct.

Mr. KNOWLAND. So it is not to be considered that any agency of the Government could expend in 6 months the full amount and then come to the Congress and say, "We have exhausted our entire year's appropriation in 6 months; therefore we are not going to operate the Post Office Department, or the Army, or the Reclamation Bureau," as the case may be, "for the remainder of the year."

Mr. O'MAHONEY. Certainly not.

Mr. KNOWLAND. The department or agency would not be living up to either the letter or the spirit of the act, if it did so.

Mr. O'MAHONEY. That is correct.

Mr. KNOWLAND. In other words, when the Congress in its judgment provides $17,500,000, it is to operate the agency for the fiscal year 1950.

Mr. O'MAHONEY. And that is precisely the understanding of the chairman of the subcommittee, precisely the understanding of the conferees.

Mr. WHERRY. Mr. President, will the Senator yield for one question?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Nebraska?

Mr. O'MAHONEY. I yield.

Mr. WHERRY. Certainly, if I understood the remarks of the distinguished Senator from Alabama, he did not get that impression.

Mr. O'MAHONEY. I am trying to explain it. If the Senator will bear with me, it will be just as clear as the language of the law can make it.

Mr. WHERRY. I think I understand the law, but all I am suggesting to the distinguished Senator is, the interpretation which has been placed upon the remarks made today by certain Senators might be that the very thing we were trying to avoid in the antideficiency law would be done.

Mr. O'MAHONEY. No; I seriously disavow any such suggestion.

Mr. WHERRY. I recall that I asked the Senator the question. He so stated, but certainly there were those who did not make the same interpretation.

Mr. O'MAHONEY. Let us see what the antideficiency law provides:

> All appropriations made for contingent expenses or other general purposes, except appropriations made in fulfillment of contract obligations expressly authorized by law—

Let me say in passing that is the phrase which places contracts for the Army engineers and for the Bureau of Reclamation in an altogether different category from ordinary appropriations of Congress. But—

> All appropriations made for contingent expenses or other general purposes, except appropriations made in fulfillment of contract obligations expressly authorized by law, or for objects required or authorized by law, without reference to the amounts annually appropriated therefor, shall, on or before the beginning of each fiscal year, be so apportioned by monthly or other allotments as to prevent expenditures in one portion of the year which may necessitate deficiency or additional appropriations to complete the service of the fiscal year for which said appropriations are made—

We see here what was in the mind of the conferees who were dealing with an operation of great importance, an operation which may become an emergency

overnight in many communities. So, as I said to the Senator from New York, the position of the conferees was not that you shall spend money monthly, but by "other allotments," so that this $17,500,000 may be distributed throughout the year; but that, before you have incurred a deficiency, you may again come before the Congress and say, "Gentlemen, this appropriation of $17,500,000 is not sufficient, and unless you allow us more, then the function of the law will cease to be performed and we shall have to abandon it." That is a very different thing.

Mr. KNOWLAND. Mr. President, will the Senator yield at that point for a question?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from California?

Mr. O'MAHONEY. I yield.

Mr. KNOWLAND. I think that is very fundamental. I believe the job of the administrator of any agency is to take the appropriation provided by the Congress of the United States with the realization that he has to operate the agency for a 12-month period under it, and it is not his prerogative to come back and say, "Because you did not give me what I thought we should have, therefore, at the end of 9 months we are going to disband the agency completely, and we are not going to operate under the law." That is not his prerogative. After all, the Congress of the United States is a policy-determining body.

Mr. O'MAHONEY. Certainly.

Mr. KNOWLAND. The executive branch of the Government must give weight to the policy laid down by the Congress. It is the sworn duty and obligation of an administrator to run his agency for 12 months under the appropriation granted by the Congress. But if the Congress ever surrenders the control of the purse strings to that extent, we shall have lost all control whatever over expenditures in the Federal Government, as I am sure my able and distinguished colleague from Wyoming realizes.

Mr. O'MAHONEY. The Senator is quite right. But it was the Congress, in determining policy, which enacted the antideficiency law, the terms of which expressly provide for the waiver of these allotments. So, all in the world that was suggested by the conferees was not that there should be an invitation to expend more than the appropriated sum, but that the $17,500,000 should be so balanced that, unless an emergency should arise, it would be unnecessary for them to come back to the Congress.

Mr. WHERRY. The Senator is not referring, is he, to the waiver in the act itself.

Mr. O'MAHONEY. This would have to be done by the Bureau of the Budget.

Mr. WHERRY. So that what the Senator really means is that if the pending motion is agreed to and the question is considered on its merits, if the Senator from Illinois then offers the amendment, we would have to vote with the understanding that, if it became necessary for the agency to come back to the Congress for more money, we could waive the provision of the antideficiency act and the agency could come back for more money. That is really what it amounts to.

Mr. O'MAHONEY. Oh, no; not waive the Antideficiency Act.

Mr. WHERRY. Well, practically that.

Mr. O'MAHONEY. Oh, no; not waive the antideficiency law, which says the sums may be distributed in monthly or other periodical allotments.

Mr. WHERRY. The Senator from Wyoming knows that the experience we have had in the Appropriations Committee with respect to many agencies has been a sad one, and that there has been a genuine effort to interpret and enforce the provisions of the act exactly as the junior Senator from Nebraska stated it, and as was so forcefully stated by the junior Senator from California.

That is my feeling at this time, and that is the reason I raised the point in the beginning. I realize what the Senator is attempting to do, and I want to try to get this bill passed.

Mr. O'MAHONEY. I know the Senator wants to be helpful.

Mr. WHERRY. But I shall vote on the motion with the strict understanding that if the Expediter receives the sum requested he shall operate the Department for the full fiscal year 1950 with that money. That is his job. If he spends it in 3 or 6 months and comes back for more, I shall not look with favor upon giving him any more money to make up the deficiency.

Mr. O'MAHONEY. Let me ask the Senator from Nebraska if he does not agree with me that it is not the purpose to repeal any part of the existing Rent Control Act by a denial of funds, if such funds should be necessary.

Mr. WHERRY. Let me answer that by saying that once Congress has established a policy, it is the duty of the members of the Committee on Appropriations not to sabotage the operation. When an appropriation is once justified, the agency must do its work for that particular fiscal year. I opposed the authorization of funds for ECA. I did not believe in it, and I do no tbelieve now that it is the proper approach. But I shall go along with the Committee on Appropriations, that when the appropriation is justified and when the expenditure of the money is authorized, there should not be any interpretation of any statute that would bypass the antideficiency statute which provides that once the appropriation is justified, the money has to be used in that fiscal year. That is my position. I do not want the representatives of any agency coming back to the Appropriations Committee and saying, "Congress said to go ahead, and if we do not have enough, to come back and we will give you more."

That is the reason I asked the distinguished Senator—and he answered me straightforwardly, as he always does—if there was any intention to bind Congress to give another dime.

Mr. O'MAHONEY. We could not.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, in listening to the debate I am somewhat at a loss to figure out what we have been doing during the past 7 or 8 months since I have been a Member of the Senate. I have now heard about the antideficiency law. It seems to me that we have been lawbreakers, because the very first bill on which the junior Senator from Minnesota voted was a $600,000,000 deficiency appropriation for the Veterans' Administration. I understand there is another such bill coming up——

Mr. O'MAHONEY. There was no violation of law involved. When agencies see that the operations imposed upon them by law require a larger expenditure than that which the budget estimated and the Congress estimated would be required, they come back to the Congress and say, "Gentlemen, look at the obligation you have imposed upon us. If you want it carried out, we must have additional money." That is what is involved in an ordinary deficiency bill.

Mr. HUMPHREY. I realize that. Is not that exactly the case in this particular situation?

Mr. O'MAHONEY. Precisely.

Mr. HUMPHREY. We have an obligation which was so ably explained by the Senator from Alabama [Mr. SPARKMAN], and the Senate passed the bill. We talk about balancing the Federal budget, but no one thinks about balancing the budget of the people back home who may have to pay a little extra rent. There is not a bit of difference between a deficiency appropriation for the operation of the Veterans' Administration and a deficiency appropriation for the operation of the rent-control law. We authorized the employment of approximately 400 persons to do the job, and all at once we apply the "Mexican bean game"—first you have it and then you do not have it. We withhold the money necessary to enforce the law. We are law-breakers. We are guilty of passing a law and not providing the law-enforcing machinery to apply it.

Mr. O'MAHONEY. This is the 19th day of August. The fiscal year ended on the 30th of June. Here is the independent offices appropriation bill, carrying funds for some of the most important agencies of government. We cannot act upon the entire bill as though only one agency were involved. We are dealing with the functions of government which affect the Federal Trade Commission, the Federal Power Commission, the Atomic Energy Commission, the Battle Monuments Commission, the Interstate Commerce Commission, and innumerable other operations. The chairman of the committee is not an unreasonable person. He has battled on this independent offices bill diligently and without interruption since the 11th day of May. It took from the 11th of May until the 12th of August before we could sign a conference report. It is now the 19th of August. There is absolutely no money to carry on the work of the Housing Expediter unless I succeed in inducing the Senate to write into the bill this afternoon this amendment.

I am hoping, Mr. President, that the motion to reconsider will be agreed to, and that I then may offer the preferred amendment. Then, if any Member of the Senate desires to offer a motion to disagree with the House and increase the appropriation, he may do so. I shall

vote against any increase, because I am bound, I think, and I assure the Members of the Senate that, in my humble judgment, the House conferees will not agree to any increase.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER (Mr. GEORGE in the chair). The question is on agreeing to the motion of the junior Senator from Illinois [Mr. DOUGLAS] to reconsider the vote by which the House amendment to Senate amendment No. 46 was concurred in.

Mr. MYERS. Mr. President, I hoped that we might have a vote on the motion to reconsider, and then recess until Monday. The minority leader, however, believes that we should have a quorum call before voting on the motion, although I understand there is little, if any, objection to the motion to reconsider. Under those circumstances I hesitate to ask for a quorum this late in the evening. If the minority leader will permit us to have a voice vote on the motion to reconsider, I think when that is disposed of we can take a recess immediately, and vote on the amendments when they are offered on Monday.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MYERS. I yield.

Mr. WHERRY. I am in total agreement with the Senator in desiring to expedite the work of the Senate. I asked for a quorum call when I thought the motion would come up, but instead of debating the motion we discussed the merits of the question. There are several Senators who have asked that if there should be a vote on the motion they would like to be called. I think it is only fair to them that a quorum call should be had so that they may be present and have an opportunity to vote on the motion. It seems to me, with the debate we have had, we might vote on the motion and on the merits also. If a quorum call is not desired, I think the whole matter should go over until Monday.

LEAVE OF ABSENCE

Mr. McCARRAN asked and obtained leave to be absent from the sessions of the Senate for the next 10 days or 2 weeks.

RECESS TO MONDAY

Mr. MYERS. Mr. President, I move that the Senate stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 6 o'clock and 1 minute p. m.) the Senate took a recess until Monday, August 22, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received August 19 (legislative day of June 2), 1949:

IN THE ARMY

The following-named officer for appointment, by transfer, in the Regular Army of the United States without specification of branch, arm, or service:

Capt. Ernest Woodrow Wilson, O41141, Medical Service Corps, United States Army.

The following-named officer for appointment, by transfer, in the Medical Service Corps, Regular Army of the United States:

First Lt. Charles Albert Layman, O49778, United States Army.

The following-named officer for appointment, by transfer, in the Judge Advocate General's Corps, Regular Army of the United States:

Capt. William George Barry, O40452, United States Army.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol (×) are subject to examination required by law. All others have been examined and found qualified for promotion:

To be captains, Medical Service Corps

Elvis Eugene Bates, O37577.
Derwood Eddie Burleson, O37566.
Robert Dinsdale Evans, O37568.
Samuel Michael Gottry, O37544.
Charles David Graber, O37555.
Thomas Henry Hoover, O37565.
Bernard Francis Kerwin, O37567.
Arthur John Kropp, O37561.
Joseph Alexander Laplana, O56952.
John Joseph Leary, O56235.
William Morris Newbold, O37538.
Ernest Gabriel Rivas, O37543.
Murval France Specht, O37558.
Richard Milton Stacey, O41153.
Floyd Bruce Wells, O37575.
Harry Towner Whitaker, O37539.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of section 107 of the Army-Navy Nurses Act of 1947:

To be captain, Army Nurse Corps

Mary M. Duncan, N755.
Leah L. Neff, N1092.
Mary Ellen Ouimet, N1396.
Daisy D. Williams, N1674.

IN THE NAVY

The following-named officers for permanent appointment to the grade of rear admiral in the line of the Navy:

Luclen M. Grant
Lloyd Harrison

Capt. Stanton W. Sallsbury, Chaplain Corps, United States Navy, for permanent appointment to the grade of rear admiral in the Chaplain Corps of the Navy.

IN THE MARINE CORPS

The following-named officer for permanent appointment to the grade of captain in the Marine Corps:

Richard M. Bickford

IN THE COAST GUARD

The following officers of the United States Coast Guard to be chief boatswains:

Harold R. Daniels	Julien L. Gray
Warren H. Stafford	Arthur B. Gibbs
Randall F. Elder	Cecil MacLeod
Harry E. Stutter	Joseph T. Collins
Oscar E. Carlsen	Leroy Howell
Oliver Pickford	Paul B. Hellman
Fred Edgecomb	Charles A. O'Reilly
Wesley L. Saunders	Robert V. McLaughlin
Charles R. Cummings	Aubrey Rogers
Ray E. Winberg	Peter Marcoux
Sverre E. Vikanes	James P. Beaty
Birney Fullington	Ernest L. Tillett
Frederick J. Belton	James A. Alsup
Guy V. Emro	Kurt Sprenger
Washington I. Cook	Michael I. Evgrafoff
Niels P. Thomsen	Caldwell Davis
Lyman J. Clark	Edward L. Libby
Julius O. Smith	Frank H. Stewart
Ross C. Anway	Calvin R. Clark
Harold E. Gray	Cash V. Slaghuis
Ernest E. Sykes	Joe B. Raby
George H. Meyer	Gabriel E. Pehaim
Russell H. Bergh	John E. Klang
George W. Prultt	Manuel F. Castro
Glen F. Stevens	Felix J. Molenda
Nils S. Nilsson	David W. Herr
Jorgen Pedersen	Hilton A. Mister
Eli T. Ringler	Carl Erickson
Fred G. Markle	Kenneth M. Foster
Ralph A. McCurdie	Leslie O. Pressey
James Harrison, Jr.	Roxie R. Chayne
Daniel H. Milner	Hoyt W. Rollinson
Joseph C. Runquist	Alfred Volton
James Martin	Oscar B. Hedman
George A. Tardif	Elton L. Rew
Einar H. Nilsen	Woodley T. Clark
Duncan W. Herr	Allan L. Lundberg
Andrew Ramstad	Martin J. Hacker
William H. Burgess	Myron S. Squires
Gustav E. Anderson	Frederick W. Doherty
George R. Pearce	Arthur M. Hudgins
John J. Pazeretsky	Lester F. Baker
Joseph J. Glover	Samuel Henson, Jr.
Joe J. R. E. Scott	Carl McNulty

The following officers of the United States Coast Guard to be chief electricians:

Philip R. Hayman	Arthur H. Scarborough
Raymond S. Erickson	Ernest B. Gall
John J. Kain	Frank P. Coffin
George H. Shimer	
Mercer Reynolds	

The following officers of the United States Coast Guard to be chief radio electricians:

Alton E. Case	Russell A. Banker
Julius Mizel	Hannibal H. Hilliard
Winfield W. Ballowe	Harry W. Midgette
Frank A. Godfrey	Ralph H. Amon
Valance R. Suttle	George R. Homan
James T. Neubauer	Herman F. Helgesen
Stewart C. Hoeper	Paul J. Schonwald
William A. Little	Ellsworth O. Swett
Edward H. Lambert	John W. Sommers
Morris B. Ewalt	Leo J. DeGraw
Floyd V. Bolster	Albert E. Holloway
Carl W. Rom	Albert L. Preston
Joseph W. Havlicek	James L. Mitchell
Francis J. McDonald	Olof W. H. Johnson
Eliot L. Johnson	

The following officers of the United States Coast Guard to be chief machinists:

George W. Brazeau	Alfred Deneault, Jr.
Otto Gaich	Jake H. Akers
Robert E. Webb	Leonard M. Reynen
Leo P. Lietzke	Shepherd Perry
Robert McManus	William E. Smith
Charles E. Pangle	Burt H. Kilmer
Raphael C. Burneson	Earl L. Ottinger
Henry M. Norris	Donald S. Talfourd
John P. Hiersch	Frank C. Treahey
William J. Jeffrey	Clarence W. Deardoff
Ralph Carson	Sidney F. Schweppe
James G. Harrington	Paul Ward
Mitchell A. Salvant	James E. Van Valkenburgh
William A. DuPree	James A. Stevens
Herbert L. Garrison	William B. Nolan
Alphonse E. Terrebonne	Frank H. Griffin
Harold T. Jackson	Jacob F. Horels
Earl A. F. Verry	Raymond W. Massey
Edgar Underwood	George Englehardt
Floyd M. Meyers	Ellgha Trickey
John W. Ballman	Gordon L. Hill
Philip F. Stone	Marshall H. Furtaw
Arthur G. Berteaux	Joseph A. Haynes
Andrew A. Stewart	Charles L. Worth
Robert D. Leslie	Earl L. Hoover
Harold D. Black	Louis B. Barber
Cyrus A. Willikson	George W. Cooper
Lyle J. Keune	Ralph P. Bebeau
Erich Raschack	John B. Hill
William N. Durham	

The following officers of the United States Coast Guard to be chief carpenters:

Carl H. Wallin	Samuel H. Howell
Carl C. Jensen	Jalmar Sortland
Arthur W. Cloves	George R. Donald
Herbert W. Schofield	Eilif H. Tobiason
Earl K. Kissinger	Clarence H. Kusch

The following officers of the United States Coast Guard to be chief pay clerks:

Fred W. Parsons	Harry B. Sherman
Lauri A. Seppala	Lionel M. Van Winkle
John A. Holt	Albert C. Campbell

Mr. WHERRY. Mr. President, if I am to answer a question about my faith in the Secretary of State, I would have to go back to the time when I resisted his confirmation as Under Secretary of State, when he attempted to inflict upon General MacArthur a coalition policy which would have permitted the Communists to dictate the policies of the United States in Japan. I would have to begin from that point. I would say, beginning with that particular incident in my life, that it would require a considerable amount of patience on my part and a great deal of enduring faith to agree with some of the proposals of the new Secretary of State, Mr. Dean Acheson.

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. WHERRY. I yield.

Mr. LUCAS. The Senator will also remember that he was the only individual in the Senate who was against the confirmation of the nomination of Mr. Acheson.

Mr. WHERRY. The majority leader will remember that former Senator Chandler of Kentucky, one of the most able Members of this body, opposed the nomination of Mr. Acheson for the very reasons I have now given, and Senator Chandler made a motion to recommit the nomination to the Committee on Foreign Relations. I think the Senator will find, if he examines the RECORD, that more than a score of votes, I believe 24, 25, or 26, were cast in favor of recommitting the nomination for further consideration.

Mr. LUCAS. On the final vote——

Mr. WHERRY. On the final vote I did not change my position. It is one of the best votes I ever cast in the Senate. If we had started then with the policy which we should have adopted toward China, we would not find ourselves in the condition we are now concerning China. Mr. Acheson was Under Secretary at the time. Mr. Butterworth, whose nomination to be Assistant Secretary of State is now on the Executive Calendar, which nomination the administration wishes us to confirm, was his assistant. Today, because of their policies, which are pro-communistic, we have a completely disintegrated policy in China, which is not only plaguing the United States, but all the other nations of the world.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WHERRY. I am glad to answer this type of question. I enjoy answering such questions.

Mr. LUCAS. Does the Senator maintain that all Senators were out of step except the Senator from Nebraska when the nomination of Mr. Acheson was before the Senate?

Mr. WHERRY. The Senator from Nebraska has been completely justified in that vote. If more Senators had voted that way, we would not have the difficulty we have in China today. It is finally admitted in the white paper that we have no policy at all. It is entirely a give-away. If we had had the kind of policy we should have had in China at that time, we might have had some chance of having peace in the world. The peace of the world depends on China. We are backing out of China. We have wasted our money and our materials. We are in a sad plight. That justifies the vote I cast against Mr. Acheson. If more Senators had been in step with me, we might have had an entirely different situation so far as China is concerned, and Europe, too, if you please, because he put into effect the Morgenthau plan, which absolutely destroyed any chance of getting peace in western Europe.

Mr. KEM. Mr. President, will the Senator yield?

Mr. WHERRY. I want to be sure that I have answered all the questions of the majority leader.

Mr. LUCAS. I have several more questions. My friend always covers more territory than I request in a simple question. Instead of answering the question, he always makes a long speech.

The PRESIDING OFFICER. The Chair requests that only one Senator speak at a time.

Mr. WHERRY. Mr. President, have I the floor?

The PRESIDING OFFICER. The Senator from Nebraska has the floor. Does the junior Senator from Nebraska yield to the Senator from Illinois?

Mr. WHERRY. I yield.

Mr. LUCAS. We were talking about moral commitments with respect to England. Now we are discussing China. I should like to ask the Senator how he proposes to take care of the Chinese situation. Does he propose to send troops and money over there?

Mr. KEM. Mr. President, will the Senator yield before he answers that question, to permit me to put a short interrogatory?

Mr. WHERRY. Mr. President, I ask unanimous consent that the Senator from Missouri may be permitted to ask a question——

The PRESIDING OFFICER. The Chair recognizes the Senator from Missouri.

Mr. WHERRY. Oh, no. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. Do I not have the floor?

The PRESIDING OFFICER. The Chair reverses his previous statement.

Mr. WHERRY. I yield to the Senator from Missouri.

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Missouri?

Mr. WHERRY. I yield to the Senator from Missouri.

Mr. LUCAS. Mr. President, I want to protect the Senator from Nebraska.

Mr. KEM. Mr. President, for the purpose of keeping the record straight, at the time the name of Mr. Dean Acheson came before the Senate for confirmation as Secretary of State, other Senators had reached the conclusion which the Senator from Nebraska had reached as to his fitness for high office, and joined him in opposing his confirmation at that time.

Mr. WHERRY. That is correct.

Mr. LUCAS. A small minority.

Mr. WHERRY. Mr. President, have all the questions been asked?

Mr. DONNELL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Will the Senator from Missouri kindly address the Chair?

Mr. DONNELL. I thought I said "Mr. President."

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Missouri?

Mr. WHERRY. I yield.

Mr. DONNELL. I certainly understood that I addressed the Chair. I think the notes of the official reporter will show it. At any rate, if I did not, I do now.

The PRESIDING OFFICER. The Chair did not understand.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. WHERRY. I yield.

Mr. DONNELL. Attention is being called to the fact that in the Constitution of the United States the only power for the disposal of property which exists is vested in Congress. Does the Senator agree that it would be well if our foreign visitors were acquainted not only with that provision of the Constitution, but further, with the fact that the power of the President to make treaties is limited by the provision that such power is "by and with the advice and consent of the Senate," and by the further provision, "provided two-thirds of the Senators present concur"?

Mr. WHERRY. I thank the Senator for that observation. I totally agree with him.

To show the abuse of power by the Executive during the past 16 years, I invite the attention of the Senate to the minority views which were submitted by the distinguished then acting majority leader, Wallace White, of Maine, with respect to the St. Lawrence seaway. When the Senator fram Maine reviewed the Executive orders which had been made, which he felt should come before the Senate for its consideration, as I recall, there were more than 200 of them. I cannot give the exact figure at this time. I ask unanimous consent to be permitted to supply it for the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WHERRY. I shall supply for the RECORD information as to the total number of executive agreements which were entered into, which Senator White thought should have come before the Senate for ratification. During the 4 years prior to the time when Senator White left office, of the executive agreements which were made, only 31—most of them minor—ever came before the Senate for ratification. It is a very good point; and I think once again it should be called to the attention of all Members of the Senate, and the American people, that while it is true that the executive branch negotiates treaties, and that is its responsibility, yet it should always keep in mind that the treaties must be ratified by and with the advice and consent of the Senate. That is a constitutional prerog-

ative which we should never surrender to any Executive, regardless of who happens to be in that particular office.

The list of executive agreements referred to is as follows:

TREATY OR EXECUTIVE AGREEMENT?

Above all other questions which may arise in connection with this project, I urge this committee to thoughtfully consider whether this agreement of 1941 and the subsequent and implementing resolution before it, may be constitutionally employed as an alternative to a treaty submitted to the Senate for its ratification.

The growing resort in late years of the State Department to agreements, so-called, in the stead of treaties to be ratified by the Senate, in itself demands the consideration of this committee, for it marks a bold assertion of Executive authority and of waning Senate importance in the foreign field. From 1940 to 1944, inclusive, there have been but 88 treaties submitted to the Senate as against 256 agreements, of which we have knowledge, not submitted to the Senate. This tendency warns that we of the Senate must assert our rights in this field, or we shall be guilty of acquiescence in their loss.

History and practice distinguish between treaties and agreements. Our Constitution provides for treaties. It is silent as to agreements save those which our States are permitted to enter into with consent of the Congress. I do not propose to argue this technical question. I do urge this full committee to give it study before we sanction further abandonment of the Senate's constitutional powers. In this connection, I call attention to the long and patient study given this subject by the Commerce Committee of the Senate and its formal conclusion that certain aviation agreements should have been submitted to the Senate as treaties to be considered and ratified as such; that any Executive agreements purporting to grant to a foreign country the right to have air lines nominated by it to operate to or from United States territory without hearings as provided for in the Civil Aeronautic Acts, were illegal and void and that this Government is not bound by such agreements so long as they have not been ratified as treaties. The Foreign Relations Committee of the Senate may well heed this opinion of the Commerce Committee expressed in formal resolution.

I would concede that there are Executive agreements which do not require Senate ratification but authority for which reposes in the Presidential office. Such are agreements made as the diplomatic representative of the United States. As Commander in Chief, the President may enter into armistice and military protocols and arrangements. He may adjust claims against foreign states. Such agreements are generally temporary in time and of relatively minor importance. I do not attempt a more definite statement of what agreements the President may enter into by virtue of his constitutional authorities for manifestly the present agreement is not such an arrangement. It is conceded that at least congressional approval is required.

There is also a class of agreements which the President may enter into under express congressional authorization. This right rests in practice not challenged rather than in express constitutional sanction. In this class of agreements, the President acts as the agent of the Congress and not as an independent Executive. There are many examples of this type of agreement. International organizations such as postal agreements, UN, ILO, UNRRA, food and agricultural organizations, Bretton Woods, reciprocal tariffs, are all within this class. As to some of these the Senate waived its functions.

There is, however, no constitutional warrant for an Executive agreement subject to later congressional approval. It is sometimes thoughtlessly contended that if the President may enter into agreements with congressional approval first given, the Congress may approve an agreement already made by the President without its sanction. The answer to this argument is, that the latter procedure is an exercise of the treaty-making power and Congress cannot be substituted for the Senate by the mere calling of the original instrument an Executive agreement instead of a treaty. The State Department cannot take from the Senate its constitutional rights by calling a treaty something else.

I insist that a project calling for the expenditure of hundreds of millions of dollars, which it will take from 4 to 6 years to complete; which involves long-term obligations by both governments; which gives to each government sovereign rights in the other country, is by every test a treaty and not an agreement and always heretofore, the President and the Senate have held this view. Now we witness the challenge by an executive department of the constitutional right of the Senate of ratification, and in its stead, acceptance of this new theory that the President may enter into agreements of any and every nature with foreign governments and that Congress may by majority vote give its consent thereto and effectuate the same. In what is here proposed is bold evasion of constitutional procedure, and the elimination of the Senate as a part of the treaty-making power under our Constitution. It is an effort to accomplish by indirection what the Senate has twice refused to sanction, first by refusing consent to the proposal in treaty form and later by rejection of an amendment to a river and harbor bill.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. WHERRY. I am glad to yield.

Mr. DONNELL. Am I correct in understanding the Senator to say that the remarks of the distinguished former Senator from Maine were incorporated in a minority report, which was made an official record of the Senate?

Mr. WHERRY. That is correct. The report had reference to the legislation asking for an authorization to develop the St. Lawrence seaway. It will be recalled that at that time the executive branch attempted to get it by other means than a treaty. Senator White took the position that negotiations with respect to that river between the United States and Canada should be in the form of a treaty, and not an executive agreement. He made one of the finest speeches to which I have ever listened. Senator Wallace White was a very thorough man. While he had his party affiliations, I think I can truthfully say that he was beloved by Members on both sides of the aisle. He went into that question very thoroughly.

Mr. President, all I arose to do was to serve notice to the visiting officials not to let our representatives tell them that the United States could be bound by reason of a so-called moral commitment. The discussion went from that question to the question of treaties, which, of course, hinge on moral commitments. I have no quarrel with the President so far as the negotiation of treaties is concerned. He can negotiate any treaty he wishes. That is his prerogative. But it should be negotiated with the full knowledge on the part of the countries with which it is negotiated that it still must be ratified by and with the advice and consent of the Senate.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. WHERRY. I yield.

Mr. DONNELL. Does the Senator believe that the President has any power or right, either legally or morally, to commit this Nation morally when he cannot do so constitutionally?

Mr. WHERRY. I do not. I am of the firm belief that he has no such power.

INDEPENDENT OFFICES APPROPRIATIONS—AMENDMENTS IN DISAGREEMENT

The Senate resumed the consideration of the motion of Mr. DOUGLAS to reconsider the vote by which the House amendment to Senate amendment No. 46 to House bill 4177, the independent offices appropriation bill, was agreed to.

Mr. IVES obtained the floor.

Mr. HILL. Mr. President, will the Senator from New York yield to me for the purpose of suggesting the absence of a quorum?

Mr. IVES. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Hill	Millikin
Baldwin	Holland	Morse
Bricker	Humphrey	Mundt
Bridges	Hunt	Murray
Byrd	Ives	Neely
Cain	Jenner	O'Mahoney
Chavez	Johnson, Colo.	Reed
Connally	Johnson, Tex.	Robertson
Cordon	Johnston, S. C.	Russell
Donnell	Kefauver	Saltonstall
Douglas	Kem	Schoeppel
Dulles	Kerr	Smith, N. J.
Eastland	Knowland	Sparkman
Ecton	Langer	Stennis
Ellender	Lucas	Taylor
Ferguson	McCarthy	Thomas, Okla.
Flanders	McClellan	Thomas, Utah
Fulbright	McFarland	Tobey
George	McGrath	Tydings
Gillette	McKellar	Vandenberg
Graham	McMahon	Watkins
Green	Magnuson	Wherry
Gurney	Malone	Williams
Hayden	Martin	Withers
Hendrickson	Maybank	Young
Hickenlooper	Miller	

The PRESIDING OFFICER (Mr. TAYLOR in the chair). A quorum is present.

The Senator from New York has the floor.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. IVES. I yield.

Mr. O'MAHONEY. Do I correctly understand that the Senator from New York is about to speak upon the disputed amendment No. 46 in the conference report on the Independent Offices Appropriation bill which deals with the appropriation for the Housing Expediter?

Mr. IVES. Yes; that being the immediately pending question, and I shall endeavor to be as germane as possible in my remarks.

Mr. O'MAHONEY. May I ask the Senator from New York how much time he expects to take?

Mr. IVES. I shall be just as brief as I can; but there are several things which I should like to get into the RECORD, and also a few comments which I should like

to make, applicable to the pending motion.

Does the Senator from Wyoming desire to have me yield while he reads a statement he has received from the Director of the Bureau of the Budget?

Mr. O'MAHONEY. Mr. President, I was trying to make up my mind whether I should immediately attempt to obtain a unanimous-consent agreement; but the Senator from New York is so persuasive that I am inclined to believe I had better desist until he has completed his statement. I shall wait until after the Senator from New York finishes his statement, before attempting to take the floor.

Mr. IVES. Mr. President, I appreciate very much the kind sentiment expressed by the Senator from Wyoming; but if he will merely look at the record, he will find that the Senator from New York is not always so persuasive as he would indicate.

Mr. President, I shall be as brief as possible, because I realize that in this particular instance the element of time is involved. I desire to point out that there are a number of matters which seem to me to be of overwhelming importance in the consideration of rent-control legislation with which we are now faced in this appropriation bill. I think the question raised last Friday cleared up rather thoroughly one important point, and I know the distinguished Senator from Wyoming has in his possession a further communication on the subject verifying this statement. It is, that by no stretch of the imagination can the Congress, in any way, shape, or manner, agree, in anticipation of a budget deficit, that it will make up that deficit, nor can it even condone in advance such a deficit. I think that was cleared up last week beyond the peradventure of a doubt. In connection with the appropriation for the Housing Expetiter, under amendment 46, which was left finally at $17,500,000, it is obvious that, spaced evenly over a 12-month period such an appropriation would be inadequate, at least at the present time, on a month-to-month basis. The question, therefore, arises whether that should be left, or whether an attempt should be made to increase the amount by at least the $4,000,000-plus by which the appropriation provided by the Senate was reduced by the conferees. I am now referring to the $21,667,500, which was reduced by the conferees to $17,500,000.

I realize the House is virtually not in session. I realize that, were we to take action of the kind I am indicating, we might reach an impasse in the Congress which would make it virtually impossible, at least for the time being, to reach the goal we are trying to reach, which is to provide sufficient money for the proper administration of the rent control law. Yet I am wondering, even though that situation might occur in the immediate future, whether such an attempt would not be worth while. After all is said and done, we have a rent-control law; and I am very sure every Member of the Congress who voted for it did so honestly, expecting it would be executed and that its provisions would be enforced. I am sure no Member of Congress, either in the Senate or in the House, would condone any procedure by which, through lack of appropriation, the intent, the purpose, the provisions of the law would be completely sabotaged insofar as their effect is concerned. The law thereby would prove futile and worthless. To appropriate inadequate funds is not a very good way to repeal laws or to amend them.

Not so long ago when the Senate was considering another appropriation bill it was proposed to reduce the appropriation for maritime training. Regardless of the merits or maritime training—and I do not want to become extraneous in my remarks—the effect of such reduction would have been substantially to have eliminated maritime training in this country. That is not the proper way to legislate. If maritime training should be eliminated, we should pass a substantive law to eliminate it, or if it should be curtailed, a sufficient appropriation should be authorized to permit the program to proceed on a smaller scale. The same is true of rent control. If rent control is undesirable, if decontrol should be brought about more rapidly, then we should enact substantive legislation providing the machinery by which to do it. But the process which has been followed in this particular instance, and which as I see it leaves with the Housing Expediter almost no choice at all, places the Congress in a very unfortunate position.

At this point I should like to read several editorials. They are not long, but I think they are of sufficient moment to deserve attention by Members of the Senate at this time. From Saturday's New York Times I read an editorial entitled "Decontrol by Subterfuge," as follows:

DECONTROL BY SUBTERFUGE

Last March Congress passed, and President Truman signed, a bill extending Federal rent controls for another 15 months. Now it appears that Congress has moved, by indirection and almost unnoticed so far as the general public is concerned, to repeal one-third of the law. That is the essential fact behind the statement this week by Tighe E. Woods, national housing expediter, that he has decided to decontrol one-third of the Nation's rent-control areas.

How did this action in the House and Senate come about? Did the two chambers reconsider the law passed 5 months ago, and decide, after discussion and debate, that in the light, perhaps, of changed conditions or some new development, the geographical scope of the measure should be reduced by one-third? Not at all. Such action would have involved legislation that would have to go to the President for his signature. No, nothing like this has occurred. What has transpired has been a new and illuminating example of legislation by appropriation. After having voted the rent control law, Congress has moved to nullify a substantial part of it through a House amendment to the independent offices appropriation. The Housing Expediter asked originally for $26,750,000 to carry out his task. This figure was reduced by the Senate to $21,667,000. House conferees would not approve the latter figure. The House subsequently accepted an amendment placing an arbitrary ceiling of $17,500,000. For reasons not yet clear the Senate rubber-stamped this action of the House. Faced with a choice of maintaining a mere token control of rents throughout the entire country or reducing his field of activity by one-third, Expediter Woods has adopted the second alternative.

Senator DOUGLAS has offered a motion to reconsider the ill-advised or inadvertent action on this matter. It is to be hoped, for the sake of its own self-respect, that the Senate will seize this opportunity.

I have similar editorials from the New York Herald Tribune and the Washington Post, which I ask unanimous consent to have printed in the RECORD at this point in my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of August 19, 1949]

THREAT TO RENT CONTROL

Housing Expediter Tighe Woods is an unhappy man. The intentions of Congress were not too plain in the first place. Whether the Nation was committed to a continuation of rent controls or an easing philosophy of decontrol remained obscure. At any rate, the vexatious problem was dumped into Mr. Woods' lap. If the States chose to decontrol, that was well and good. Otherwise the Federal authority was left as a sort of scientific Solomon on a million fronts to ascertain economic truth and apply the formula of fair net operating income. Here in New York the anguish is already quite pronounced, as is evidenced by Mr. Sharkey's efforts in the city council and the various imploring calls for action by the State legislature.

But the dilemma facing Mr. Woods is sharp and immediate. After originally asking for $26,000,000 to administer a system which was neither fish nor fowl, the Woods budget was cut to $21,000,000 in the Senate and finally emerged from congressional joint conference at $17,000,000. Now the Housing Expediter, in perplexed desperation, says the job cannot be done on such short rations. The choice, as Mr. Woods sees it, is either to spread his assignment thin to the point of futility or else boldly to decontrol by one-third and concentrate on the remaining areas of greatest need. The decision, at least for the moment, is to cut back. One-third of the Nation will need to depend on a free market in housing which is still far from accomplishment.

Congress has acted uncertainly again. Just as it declined to assume precise responsibility last spring, the present decision assumes that $17,000,000 worth of rent control is worth having, but no more. The greater likelihood is that we shall have not even that much. As the Federal scope and organization are reduced, the efficiency of enforcement is bound to decline. Controls are basically undesirable, but the necessity remains until new housing is placed in general reach.

The wisdom of knocking out such a large portion of the rent-control props is questionable. Already Senator DOUGLAS is advocating reconsideration. Before Congress again takes hasty and premature action against rent control, let us have some serious second thoughts about the consequences. If we are to continue Federal controls, then there should be every determination to make them mean something to millions of rent payers. This is no point for the slap-dash token of economy that really saves nothing.

[From the Washington Post of August 19, 1949]

SNEAK LEGISLATION

A sorry piece of legislative trickery has been slipped over on the Nation's renters—and, presumably, on most Members of Congress themselves. This consists of a crippling cut in the appropriation for the Office of the Housing Expediter, the agency administering

rent control. The cut was engineered, not openly, but in a House amendment to the independent offices appropriation that crept in almost unnoticed. The result is that the Housing Expediter must dismuss nearly half his employees and decontrol one-third of the country's rent areas in order to maintain effective controls in the remainder.

If Congress had decided openly to end rent control, that would be one thing. But such is not the case. Less than 5 months ago Congress passed a new rent-control law, strengthening the old law in some respects but qualifying it with local option and a proviso for a "fair net operating income" for landlords. Application of the "fair income" formula increased the work load of OHE offices from 30 to 50 percent, and there was a tacit understanding with Congress that the Housing Expediter would be given the employees necessary to do the job. As a matter of fact, several hundred areas have been decontrolled, either by local action or by the Expediter, since the new law took effect; thus, there is strong need for rent control in the remaining areas affected by the cut.

It is clear in the law that Congress intended to continue rent control. What has happened is the old and nefarious practice of legislation by appropriation. Originally the Housing Expediter asked for $26,750,000. The Senate Appropriations Committee approved $24,075,000, and this was cut on the floor to $21,667,000. House conferees refused to agree to this figure, and later the House adopted an amendment limiting the sum to $17,500,000. In what must have been a spurt of confusion, the Senate agreed to this figure.

Senator DOUGLAS has offered a motion to reconsider the Senate action which will be taken up today. We do not see how Senators who realize the consequences of this backhanded legislation can fail to support his motion.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. IVES. If the Senator will allow me to finish reading the editorials, I shall be glad to yield. I have some comment to make on the editorials.

Mr. O'MAHONEY. On the editorials?

Mr. IVES. That is correct.

Mr. O'MAHONEY. I should like to make a little comment.

Mr. IVES. This morning's Herald Tribune carries an editorial which I shall not read because it covers other matters not relating to the immediate question, but it contains statements which I think I should read for the RECORD. It is important that the entire editorial be placed in the RECORD at this point. The editorial is headed "Landlord's case," and the portion I desire to read is the following:

THE LANDLORD'S CASE

A shortage of personnel and funds makes it likely that effective rent control will be undermined in many areas. To achieve relaxation by default, to modify established curbs by depriving the administrative agency of tools to carry out its allotted task, seems a muddled and undignified way for a government to act; nor can there be any doubt but that premature freeing of rents can work the gravest hardships in many individual cases. But no one has argued for indefinite extension of such controls; and their progressive removal will be accompanied by all the benefits which go with a restoration of freedom in an importan sector of the economy. * * *

I ask unanimous consent to have the remainder of the editorial placed in the RECORD at this point in my remarks.

There being no objection, the remainder of the editorial was ordered to be printed in the RECORD, as follows:

These benefits were summed up by a group of landlords, answering queries of the real estate editor in Sunday's edition of this paper. The landlords do have a case; it is well that it should be stated at this juncture without exaggeration and with the long-range interests of the public in mind.

The disadvantage to tenants in a continued refusal to permit adjustments in present rent levels was stressed by these realty and business leaders. The situation of France is often cited as an example of the hardships which result when the return on investments is too small to permit proper repairs and maintenance of buildings. This is evidence of an extreme kind; but it does indicate a danger to which tenants in our own country can become exposed. Apart from the question of repair and upkeep, rent ceilings were claimed to discourage building in general. Among those queried, there was a tendency to believe that public housing was a greater deterrent to private building than low ceilings; but public housing itself is in part an answer to the lag in private construction, and that lag, in turn, is explained by the fear of being unable to get a fair return on investment. The chain of cause and effect is thus seen to be circular: a shortage of housing incites rent controls; rent controls increase the shortage. The effect of the spiral is to stimulate Government intervention at every turn, forming a web from which there seems no way of extricating ourselves.

But the way to extricate ourselves, according to these spokesmen, is simple: it is to remove rent ceilings. The time will come—and should come in the near future—when there will be no further case for ceilings; meanwhile there is some recognition among realty leaders that the lower-income groups present a special case. The difference of opinion in this field is, therefore, being narrowed, and all concerned should soon be able to admit that in the free determination of rents there are human as well as economic gains.

Mr. IVES. That is an editorial from this morning's New York Herald Tribune. I think it expresses the feeling which is shared by nearly everyone. No one wants to be unreasonable. I do not agree fullly with the editorial which I read from the New York Times. I am sure that, judging from later statements, which have come from the Housing Expediter, he does not contemplate decontrolling one-third of controlled areas all at once. As I understand, his latest idea is to try to handle as much as possible, leaving it to local authorities to police and carry out decontrol in cases in which he is unable to do so because of lack of administrative machinery or of personnel. But that does not alter the present situation.

I should like to read for the RECORD at this point some statistics from the New York office. Before doing so, however, I yield to the distinguished Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I wanted to make a brief comment upon the editorials which the Senator from New York just read, particularly the one from the New York Times which he first read. I make this comment as one who, in the committee, has sought to obtain for the Housing Expediter the full amount of the budget estimate and who, having failed in the Committee on Appropriations, then on the floor resisted the motion to make a further cut. I was unsuccessful in that defense of the funds. I say these things merely to make it clear that I am one of those who believe that we should give the Housing Expediter all the money necessary to carry out the obligations of law which were imposed on him by action of the Congress.

Mr. IVES. Mr. President, the Senator from New York desires to point out that he was among those who strenuously resisted the amendment offered on the floor to reduce the appropriation.

Mr. O'MAHONEY. I am glad to make a note of that, Mr. President.

But the difficulty with which we are confronted, regardless of the mistake of the editorial writer, is that Mr. Woods jumped to the conclusion that Congress had acted before it had finally acted, and, second, jumped to the conclusion that it would be necessary for him to lift controls from one-third of the areas immediately. It was not necessary. Mr. Woods realizes now that it was not necessary. He announced to the public that he would be obliged to lift controls immediately. He was not so obliged.

I thought I made it clear in the debate last Friday that the appropriation of $17,500,000 may be so apportioned over the whole year, within the meaning of the antideficiency law, that this operation may continue. The committees of Congress did nothing unusual as the editorial would imply. The conferees met and came to an agreement. The conference report was accepted in the House and then it was accepted in the Senate. That is all that happened. The conferees were of the opinion that rent control is a diminishing activity and that $17,500,000 would be sufficient to carry through the fiscal year operations which are gradually declining.

Personally, I did not agree with that point of view, because I felt that in great cities such as the city of New York, the city of Chicago, and the city of Boston, housing probably would not be constructed rapidly enough to enable rent control to be lifted. I may have been incorrect in that idea. Those who took the other view may have been wrong. There is no reason under heaven why, next January, if either one of us was wrong, Congress may not make the necessary correction. That is the whole situation.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. IVES. The Senator from New York would like to answer the Senator from Wyoming, first, and then he will yield.

The Senator from New York would like to point out that the very point the able Senator from Wyoming has emphasized in this particular instance was covered very thoroughly last Friday afternoon in the Chamber. The Senator from New York most definitely gathered that the Congress, in no way, shape, or manner, can indicate to the Housing Ex-

pediter that he can count on the Congress for one penny if he exceeds his appropriation during the coming fiscal year. He can ask for any amount he desires. That is always possible, and is quite customary, as a matter of fact, among administrative agencies. But he cannot count on it. Furthermore, because of the colloquy which was entered into between the distinguished Senator from Wyoming and the distinguished Senator from California [Mr. KNOWLAND] it was very clearly shown on the floor that he would not only not be expected to come back to Congress with any such request, but that, absolutely, he could not count, in any way, shape, or manner on Congress doing anything in line with meeting such a request.

Mr. O'MAHONEY. I disagree.

Mr. IVES. That is what I understood from the colloquy.

Mr. O'MAHONEY. That is not the conclusion to be drawn from that colloquy; but whether it is or not, I say the facts are otherwise, as proved over and over again by the experience of the Congress. Supplemental appropriations are made over and over again when the facts show that they are warranted. All I say now, and all I said last Friday, is that there will not be no violation of the antideficiency law if the Housing Expediter, with the approval of the Bureau of the Budget, so distributes the $17,500,000 that he can continue his operations, let us say, during the first 6 months of the year, at a high level, and distributes the balance so that the tapering off may be adjusted. But if at the end of the 6 months' period, let us say, or any period, it then becomes clear that my reason of a lack of money to enforce the law, rent control will have to be lifted where it should not be lifted, then certainly the Congress of the United States is within its power and within its right in making another appropriation.

Mr. IVES. Mr. President, the Senator from New York never intended to convey the idea that Congress could not make another appropriation or any amount of appropriations any time it might see fit to do so. What the Senator from New York was trying to emphasize was that the Housing Expediter cannot count with any definiteness on an appropriation if he follows that process.

Mr. O'MAHONEY. Yes. He does not definitely know, and cannot know until next January, what his needs will be.

Mr. IVES. It is very likely true that he does not know what his needs will be, but he does know the amount of money which he can use, because it is $17,500,000. If I were in the position of the Housing Expediter, with the warning he received in this Chamber last Friday afternoon, which made quite an impression on me, I think I would cut the $17,500,000 into 12 parts and operate on that basis. The only way he could do otherwise would be in anticipation either that the demand for rent control is going to drop, which of course it may, or if it does not drop, that Congress will appropriate more money. In either case he is taking a wild chance.

Mr. O'MAHONEY. There is a contingency which the Senator has left out of consideration, namely, that the need for rent control may decline.

Mr. IVES. That is what I meant. That was one of my alternatives.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. IVES. I yield to the Senator from Wisconsin.

Mr. McCARTHY. The Senator from New York undoubtedly knows that a number of States have taken over rent control. The State of Wisconsin has taken over the burden of rent control, which means that the Expediter has the money which he would normally spend in my State to use in his over-all program. Does the Senator know how many States have done likewise, and whether Mr. Woods has reduced his request or has indicated that he needs less money because of that particular situation?

Mr. IVES. The Senator from New York is not advised regarding that matter at all, but he would observe that he thinks Mr. Woods would be very foolish at this particular stage of the matter to be reducing his activities or laying off members of the staff any more than he might have to do in order to conform to the appropriation allowed him, because no one knows how many States will be controlled. It is conceivable that they may all take over the matter themselves. It may be conceivable that some States which have not already done so will do so.

Mr. McCARTHY. I thank the Senator.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. IVES. I yield.

Mr. DOUGLAS. According to my information four States have adopted decontrol measures. Only one of the States, Wisconsin, has, however, a decontrol measure already in effect. I think it went into effect on the 5th of this month. The decontrol measure in the State of Nebraska will go into effect on the first of November; in Texas, on the 19th of October, and in Alabama on May 25, next year.

Mr. McCARTHY. That should almost automatically reduce the request of Mr. Woods but about one-twelfth.

Mr. IVES. The Senator from New York does not know the total population in the States involved, and, what is more important, the total amount of controlled rental property in the States involved. I should not care to estimate, even to hazard a guess, in that connection, but I doubt very much whether it would come to one-twelfth, when we consider some of the vast areas.

Mr. O'MAHONEY. Mr. President——

Mr. IVES. The Senator from New York would like to get something in the RECORD at this point; but if the Senator from Wyoming wishes to put in the letter to which he has referred, he can insert it in my remarks.

Mr. O'MAHONEY. Mr. President, in order to clarify the situation, I ask that the clerk may read a letter from the Director of the Bureau of the Budget, which I send to the desk.

The PRESIDING OFFICER. Without objection, the letter will be read.

The Chief Clerk read as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., August 22, 1949.

Hon. JOSEPH C. O'MAHONEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR O'MAHONEY: This letter will confirm the telephone conversations which you have had with representatives of the Bureau concerning appropriations for the Office of the Housing Expediter for the fiscal year 1950.

Informal consultation has been held with staff of the Housing Expediter and a review has been made of the records available in the Bureau of the Budget. The Budget estimate of $26,750,000 forwarded to the Senate committee represented a conservative approach to the probable number of employees required for effective operation of the present Rent Control Act, particularly in the light of little operating experience with the formula therein contained. The estimate also represented a conservative rate of decontrol as a result of non-Federal action. If the rate of decontrol exceeds that estimated and if operation of the formula proceeds smoothly, the Bureau agrees that it may become possible to operate the program on a declining scale from month to month.

On the basis of present estimates, the Office of the Housing Expediter will require until approximately October 1 to reduce its expenditures to a rate of $1,900,000 per month. To go below such a figure at this time, in our judgment, would be inappropriate and would prevent the intended scale of operation of the rent control law. Accordingly, and in the light of statements made by you to the Senate on August 19, 1949, and appearing in the CONGRESSIONAL RECORD on pages 12064, following, the Bureau of the Budget would be willing to approve unequal apportionments of the appropriation made available to the Office of the Housing Expediter. This action would be taken with the understanding that if subsequent events made it impossible to adopt a rapidly declining scale of operations which, in turn, would make it possible to keep within an annual appropriation of $17,500,000, the committees of the Congress will entertain and give consideration to a supplemental estimate of appropriation.

A copy of this letter is being sent to the Honorable ALBERT THOMAS, chairman of the Independent Offices Subcommittee on Appropriations, House of Representatives, to whom I am also sending a copy for the use of the chairman of the House committee. I shall appreciate it if you will advise the chairman of the Senate committee, for whom I am also attaching a copy.

Sincerely yours,
FRANK PACE, Jr., *Director.*

Mr. IVES. Mr. President, my reason for being glad to have the letter read into the RECORD at this point is that it bears out what I have been contending right along, namely, that, while the Budget Director may himself indicate to the Housing Expediter that subsequently in the year he may be able to cut month by month the amount of the appropriation he will be using, at the present level required, the amount would, on the basis of the 12 months, greatly exceed the total appropriation of $17,500,000 which has been allowed him. As a matter of fact, it will come nearer $23,000,000, if I have added the figures correctly.

If Senators noticed the closing part of the letter, in which the Budget Director

indicated that he could come to the Senate—which of course would entertain requests for additional or new appropriations for the purpose—they will realize that it all goes to show that there is no guaranty anywhere along the line that the needed money will be forthcoming from any source whatever. It is all speculation.

Now let me give the other side of the picture.

Mr. O'MAHONEY. Mr. President——

Mr. IVES. The Senator from New York would like now to finish up for this side, and then the Senator from Wyoming will have something else to discuss.

We have been hearing right along that the cost of the administration of rent control has been dropping. Of course it has in certain areas. It has been pointed out already here today that four States have decontrolled, at least so far as the Federal Government is concerned. But the fact remains that there are important areas where the cost is rising because of the type of act which we passed earlier this year.

I now wish to read some figures regarding the New York City office of the Housing Expediter. This information was furnished by the general counsel's office this morning by telephone, and it is rather illuminating as to the opposite direction the administration is taking when it comes to the need for funds. The statement shows the following facts:

Landlords' petitions for adjustment filed:	
For 4 months prior to Apr. 1, 1949	12,478
For 4 months subsequent to Apr. 1, 1949	23,008

That is, up to the first of this month. I continue with the information furnished:

Landlords' petitions processed:	
For 4 months prior to Apr. 1, 1949	13,282
For 4 months subsequent to Apr. 1, 1949	14,395
Landlords' petitions pending:	
Apr. 1, 1949	6,619
Aug. 1, 1949	15,170

Then we come to the tenants. Up to now I have been talking about the landlords, the property owners. They are the ones who are getting hit because of the action proposed to taken. Now we come to the tenants' petitions for adjustment which were filed:

Tenants' petitions for adjustment filed:	
For 4 months prior to Apr. 1, 1949	9,444
For 4 months subsequent to Apr. 1, 1949	14,694
Tenants' petitions processed:	
For 4 months prior to Apr. 1, 1949	8,674
For 4 months subsequent to Apr. 1, 1949	12,521
Tenants' petitions pending:	
Apr. 1, 1949	4,199
Aug. 1, 1949	6,372

I now come to another new feature which did not exist prior to the present rent-control law, namely, the eviction notices. I continue with the information furnished by the general counsel's office:

Eviction notices issued for 4 months subsequent to Apr. 1, 1949	19,214

No comparable figures are available for the 4 months prior to April 1 because there was no provision in the old law that permitted the Housing Expediter to issue eviction notices.

Petitions for eviction certificates filed for 4 months subsequent to Apr. 1, 1949	2,554

No comparable figures are available for the 4 months prior to April 1 because there was no provision in the old law that permitted the Housing Expediter to issue eviction notices.

We have all that additional and new work, which has to be carried on by these offices, something which I do not believe has been considered to any great extent by those who figure that now we are in the process of eliminating rent control, and eliminating the need for any appropriation so far as rent control is concerned.

Mr. President, I realize that, insofar as rent control itself is concerned, the time must come, sooner or later, when it will have to be dropped, if we are to have a free economy. We cannot permanently have Government control in the heart of private enterprise and have a free economy. That time, however, has not yet arrived. We are still in an emergency situation in some of our largest industrial and urban areas. Rent control must be continued somewhat longer—at least until the time when the present law expires next year.

To my way of thinking, in the light of increasing costs in these areas, in the light of the fact that there is no guaranty whatever that any increased appropriation will be forthcoming from Congress at the next session or at any other time, the thing to do now is to reconsider the vote on amendment No. 46, and provide in the bill a sufficient amount of money to bring the total back to $21,637,500, and send the bill back to the conferees. If the Members of the House have gone home, then, if the situation is as I am now picturing it, the House Members would be aware of that situation and, I am sure would be convinced that the situation is sufficiently serious to call for their return, at which time we can properly deal with the matter. But if, in the opinion of Members of the House, the situation is not so serious as I have pictured it, and if they refuse to come back, then later we can take whatever action it may be necessary to take.

Mr. President, we should deal with this situation realistically—I will not say honestly, because all who have been connected with this matter have acted honestly, and I pay great tribute to the distinguished Senator from Wyoming, who, beyond question, has done a very fine piece of work in handling the matter. It seems to me that realism demands what we should do at this time. So with that thought I conclude my remarks and yield if the distinguished Senator from Wyoming desires to ask any other question.

Mr. O'MAHONEY. Mr. President, I merely wish to announce what I would like to do realistically. The Senator from Wyoming has been through this battle on numerous previous occasions. There is a legislative routine, there is a legislative procedure, which has the support of long experience over many years. I say to those who believe as I do that the appropriation is not sufficient, that we will not serve our own interests or the interests of the Expediter if we seek now to increase the appropriation, because, first, there is the fact that the conferees upon the part of the House clearly indicated during the conference their belief that the operation would be tapering off to such a degree that $17,500,000, would in all probability cover the needs. They were willing, of course, to allow the Housing Expediter and the Bureau of the Budget——

Mr. IVES. Mr. President, will the Senator yield at that point?

Mr. O'MAHONEY. I yield.

Mr. IVES. Did the conferees take into consideration the fact that work loads, and thereby administrative costs are increasing in some areas as I have indicated; increasing not slightly, but in some places increasing substantially, as much as 50 percent, for some phases of the work?

Mr. O'MAHONEY. I think the House conferees are as familiar with this problem as any other members of the conference. I will say for the House conferees that they met the Senate conferees in the most reasonable frame of mind upon all the various items included in the bill. I call the attention of the Senate to the fact that at least 33 different agencies of government and government corporations are included in this measure, all of them with the obligation to discharge the responsibility placed upon them by law. They are being held up, they are being held in this uncertain attitude, because we have been unable to pass certain appropriation bills. The desire upon the part of the conferees was to get this particular bill passed and on the statute books so that it would be unnecessary for Congress to continue to pass continuing joint resolutions.

As pointed out Friday, the continuing joint resolution which the Congress enacted last week, because of the failure of the civil functions bill, the Interior Department bill, the national defense bill and the independent offices bill to reach the status of enacted law, does not cover the Housing Expediter. That happened by reason of the fact that, as the continuing joint resolution was written, it provided only for those agencies for which there was an appropriation for the fiscal year 1949. The continuing joint resolution allowed these various agencies of Government to continue to function at the smallest rate provided in the appropriation. So, Mr. President, since there is no appropriation to carry on the work of the Housing Expediter, unless we repair that difficulty here, the Housing Expediter will be without any funds at all. We will not be worrying about whether $17,500,000 is enough. We will be worrying about the fact that there is not any appropriation.

So, Mr. President, I have requested that the Senate reconsider the vote, so the ratification resolution which I

had read into the RECORD last Friday may be adopted, and the Housing Expediter may thereby becomes a functioning institution with funds from the Treasury, and then that having been adopted, I shall urge my friends, such as the Senator from New York [Mr. IVES] and the Senator from Illinois [Mr. DOUGLAS], who are so much disturbed about this lack of appropriation, to refrain from asking an increase, because I say to them: Let us realistically recognize the situation which exists.

Members of the House have been going home, the newspapers tell us, at the rate of 20 a day. There is no quorum today in all probability, or will not be tomorrow if there is today, in the House of Representatives. Therefore we will have to legislate by what amounts to unanimous consent. So I say to my friends who want to support the Housing Expediter: Do not put him in greater jeopardy than he is now, because the record is clear that the antideficiency law permits the Bureau of the Budget to distribute the appropriation throughout the fiscal year, and the Bureau of the Budget has indicated by the letter which I have had read from the desk, that it is willing during the first 6 months of the year to provide the Expediter with an allocation under the law which will not make it necessary for him to lift rent controls prematurely, but which will allow him to adjust the operations to what may be and what in all probability will continue to be the tapering off of this necessity. I say to the Senate that there is not the silghtest doubt in my mind—though I can give no guaranty—if rent control is in such a situation that in November, December, or January, it is becoming clear that we have made a mistake in our estimates, if the facts are then shown, the Congress of the United States will decide that it will not repeal the Rent Control Act by denying funds to carry it out.

Mr. IVES. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. KERR in the chair) Does the Senator from Wyoming yield to the Senator from New York?

Mr. O'MAHONEY. I yield.

Mr. IVES. I wonder if the distinguished Senator from Wyoming himself would be willing to go on record at this time as indicating his pledge and willingness to espouse an increase in the appropriation, or a new appropriation when the next session of the Eighty-first Congress convenes, assuming that the current appropriation for the present fiscal year proves to be inadequate or will not carry through to the extent desired. Would the Senator from Wyoming be willing to champion a cause of that kind to get an additional appropriation?

Mr. O'MAHONEY. Of course. I said last Friday, that I had consulted the chairman of the House conferees in order that I might be able to report to the Senate. He also agrees. I say, in announcing that agreement, that neither Representative THOMAS of Texas nor the Senator from Wyoming is inviting the Housing Expediter to incur a deficiency. Not at all. But we do say—and this was the view of the conferees, without division either by way of party alinement or by way of alinement between the Houses—that if $17,500,000 is not sufficient to carry on the necessary functions, of course we will entertain and support an appropriation enabling the Housing Expediter to execute the express provisions of the law.

Mr. IVES. Mr. President, will the Senator yield for one further question?

Mr. O'MAHONEY. Certainly.

Mr. IVES. The Senator from New York would like to ask the distinguished Senator from Wyoming if he would be adverse in any way to any effort which might be made to discourage the housing expediter from utilizing such funds as the Housing Expediter might believe to be necessary under those circumstances.

Mr. O'MAHONEY. All I want the Housing Expediter to do is to operate within the appropriation which has been allowed.

Mr. IVES. The Senator from New York was not quite clear whether the Senator from Wyoming was trying to warn the Housing Expediter not to use sufficient funds, or whether he was indicating to the Housing Expediter that he could use a sufficient amount of the funds.

Mr. O'MAHONEY. Of course he should use a sufficient amount, as the letter from the Director of the Budget amply shows—a letter, by the way, which was written at the solicitation of the Senator from Wyoming. The first thing I did after breakfast this morning was to consult the Bureau of the Budget, and to say to the Bureau of the Budget, "Take the RECORD for Friday last, read the statements which I made on the floor with respect to the antideficiency law and this appropriation, consult the Housing Expediter, and then write me a letter, if you can, confirming my opinion that you can authorize an unequal allocation through the year." This is the letter.

Mr. IVES. The Senator has perhaps noticed in reading the letter which he received from the Budget Director that on the basis of the amount allowed between now and October 1, which, as I recall, is $1,900,000 a month, on an annual basis of that kind approximately $23,000,000 would be required, which would be substantially above the $17,500,000 which has been allowed, or even above the $21,667,000 approved by the Senate.

Mr. O'MAHONEY. That would be true only in the event that it continued to be necessary to spend at the rate of $1,900,000.

Mr. IVES. The Senator from New York has not finished his question. Assuming that the rate of $1,900,000, or even more, should persist throughout the year, would the Senator from Wyoming still be willing to assist in obtaining a new appropriation to carry on the work of the Housing Expediter on that basis?

Mr. O'MAHONEY. If the evidence and the facts substantiated the assumption, most certainly.

Mr. IVES. I thank the Senator.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CORDON. I preface my inquiry by saying that I opposed the extension of rent control. On the other hand, rent control was extended. I am as much interested as is any other Member of the Senate in seeing that the job is well done. As one of the Senator's colleagues, both in the hearings and in the conference, it was my understanding that the rent-control area was narrowing, perhaps not day by day, but month by month, and that, as rapidly as areas appear to be able because of increased housing to come out from under rent control, that is being done by order of the appropriate authority. Therefore, when we look at the question of expenditure we find a situation in which, under the strictest interpretation of the Antideficiency Act, the apportioning authority, the Bureau of the Budget, would not only have the right, but the duty in apportioning these funds over any period, whether by the month or any other period, to take into consideration the fact that these duties will narrow with reference to the area to be covered over the full period of time, and that it therefore may make a much larger allocation at this end of the period, narrowing it down toward the farther end. Of course, if we should find that the experience upon which the Bureau would gage such action is not borne out in fact after the opening of another year, I think it would be the duty of the Bureau of the Budget and of the Congress to take cognizance of the fact at that time through an appropriate deficiency appropriation.

Mr. O'MAHONEY. I am very happy indeed that the Senator from Oregon has made that statement. It is very clarifying.

Mr. IVES. Mr. President, will the Senator yield to me so that I may ask the Senator from Oregon a question in that connection?

Mr. O'MAHONEY. I yield.

Mr. IVES. Would the Senator from Oregon be willing to support a deficiency appropriation of that type under such circumstances?

Mr. CORDON. There is no question about it. The law is on the books, and it is our duty to see that it is properly administered.

Mr. DOUGLAS. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield.

Mr. DOUGLAS. I was greatly impressed by the very forceful statement made by the junior Senator from California [Mr. KNOWLAND] on Friday, that he would not, as I understood it, agree to such a proposal. Since we are having a little experience meeting, I wonder if the Senator from Wyoming would be willing to yield to the junior Senator from California so that he may state whether he is of the same opinion on Monday as he was on Friday.

Mr. O'MAHONEY. I did not understand the Senator from California to say that, but I am happy to yield to him.

Mr. KNOWLAND. Mr. President, I will say to the able Senator from Illinois that the junior Senator from Cali-

fornia is of the same opinion on Monday that he was on Friday, namely, that it is the duty of the head of any agency to live within the funds appropriated by the Congress. I quite agree with the statement made by the Senator from Oregon that, within the appropriation, and recognizing the fact that he must operate his agency for a 12-month period, for the fiscal year 1950, there is an area in which more funds can be allocated in the earlier period and a lesser amount in the later period, provided the facts seem to substantiate a tapering-off of the program. I assume, for example, that in the Post Office Department, during the Christmas season they have to put on more post office help, and undoubtedly there is more than one-twelfth of the amount of the appropriations allocated for the November-December-January period. However, I do not believe that any agency head would have the right to assume that when the Congress made an appropriation of $17,500,000 he could go merrily on his way and spend the entire amount in 6 months, believing that he was conforming to the Anti-deficiency Act or the policy-making power of the Congress.

Mr. O'MAHONEY. Mr. President, I am in complete accord with the statement just made by the Senator from California.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. DOUGLAS. I wonder if the Senator from California will be good enough to say whether he thinks the Housing Expediter would be breaking faith if during the next 6 months he spent approximately at the rate of $1,900,000 a month, or possibly a little less. If, then, in January, it were to appear that more than $6,000,000 was needed for the remaining 6 months, would the Senator then support a deficiency appropriation of sufficient size to enable the law to be adequately enforced? Am I unduly pressing the Senator when I ask this question?

Mr. KNOWLAND. No; the Senator is not doing so. He has asked a question, and he is entitled to a frank answer regarding the situation.

I would say that as a member of the Appropriations Committee, whether I would support at that time a deficiency bill would depend upon the facts which were developed. If I were assured that the Administrator, either of this agency or of any other agency, had made a full and honest effort to comply with the law and the policy laid down by the Congress, and was not trying to circumvent the policy laid down by the Congress, either in the legislation or in its judgment on appropriations and the sums which would be necessary for the operation of the agency, and if, under all those circumstances, the facts would warrant a deficiency appropriation, then certainly I may say that I have supported deficiency bills in the past. But my decision would be governed by all the facts which were developed. Certainly if the agency or the group concerned were simply to ignore the fact that the Congress had said that in its judgment $17,500,000 would be sufficient for the operation of the agency, and were to go ahead and spend at the old rate, with no attempt to comply with the congressional mandate, I would most vigorously oppose an attempt to obtain a deficiency appropriation.

Mr. DOUGLAS. Mr. President, will the Senator from Wyoming permit me to ask further questions of the Senator from California?

Mr. O'MAHONEY. Certainly.

Mr. DOUGLAS. Would the junior Senator from California regard it as germane evidence if it were to appear that the work load thrown on the Housing Expediter was greater this year than last year?

Mr. KNOWLAND. I should think the workload would definitely be a factor; but from my point of view—and I have had some experience with other Government agencies—I would not consider that the agency director was complying with the congressional intent if, for instance, he juggled his workload so that in areas in which he might properly cut down, he declined to do so, whereas in areas in which he had a legitimate reason for expanding, he also declined to do so, stating, "I cannot expand," when, as a matter of fact, had he used proper administrative discretion and had he cut out activities which he could very well have cut out, he could then have expanded in the other areas, although he did not do so.

Mr. O'MAHONEY. Mr. President, in that connection I think I should say that the record in the hearings shows that when Mr. Tighe Woods appeared before the committee, he had already, of his own initiative, decontrolled some 100 communities or areas. It is true they were only fringe areas; but he did take the action himself, and I think there is no reason to suppose that he would indulge in any rigging of his responsibilities.

Mr. KNOWLAND. Mr. President, I have not charged him with doing that.

Mr. O'MAHONEY. I understand.

Mr. KNOWLAND. I merely say that I would base my judgment on the facts which might be developed, in determining whether he was complying with the spirit of the law. If, for instance, the local boards and units which were set up indicated that in their judgment they could be decontrolled, and if the Administrator completely ignored their recommendation and maintained the controls, in such case there might be a question of judgment regarding the facts, a question which the committee would wish to go into very thoroughly.

Mr. O'MAHONEY. Mr. President, let me ask a question which I think will be helpful to the Senator from Illinois: Does not the Senator from California agree with me that it is a question of fact and of good faith; and if the facts and good faith are shown, then there can be no doubt that if a budget estimate is sent here, supported by the facts, the Appropriations Committee in the future, as in the past, will be very likely to be in a receptive mood?

Mr. KNOWLAND. I should say that certainly at that point the Appropriations Committee would give a fair hearing to the request. However, no one on this floor—and I am sure the Senator from Wyoming would be the first to confirm this—has a right to underwrite to the Housing Expediter that the funds will be provided, because that has to be determined in the judgment of the committee and of the Senate and of the House of Representatives. So he must always keep in mind that he has to come before us with the facts and to demonstrate that he has acted in good faith in attempting to comply with the congressional judgment, and then, in presenting his facts, take his chances on being able to convince both the committee and the Congress.

Mr. DOUGLAS. In that connection I should like to ask the Senator from California if he would be impressed with a few facts which I should like to recite.

Mr. KNOWLAND. I am always impressed with the facts, if they are accurate.

Mr. DOUGLAS. In the 4 months' period to April 1, 1949, the Housing Expediter received from landlords 160,000 petitions to increase rents. In the 4 months since we passed the rent-control law, he has received 197,945—or approximately 38,000 more, an increase of well over 20 percent and indeed of almost 25 percent, in the volume of work in connection with landlords' petitions, although we are now being asked to appropriate nearly $5,000,000 less for the current year than he spent during the year 1948–49.

Does the Senator think that would establish a case for an increase in the total expenditure above $17,500,000?

Mr. KNOWLAND. Mr. President, with all due respect to my colleague, the Senator from Illinois, I do not wish, on the floor of the Senate, on the basis of piecemeal statements, which no doubt the Senator from Illinois has investigated and can vouch for, to say what I will do.

When the matter comes next year before the Senate or the committee, as I have said to the Senator from Illinois, if the agency director has operated in good faith, if he has made every effort to comply with the congressional mandate that he shall operate his agency on $17,500,000 for a 12-month period, and, under the statement made by the Senator from Wyoming, recognizing that in the early periods he is entitled, with the consent of the Director of the Bureau of the Budget, to spend more than in the tapering-off, later period, and if the facts would justify it, I would certainly approach a request for a deficiency appropriation with an open mind at that time.

Mr. O'MAHONEY. Mr. President, I think the present condition of the situation is now fairly well explained. So I wish to announce to the Senators who are present what it will be my purpose to do. A quorum is not on the floor at the moment. In a moment I shall suggest the absence of a quorum, and then I shall attempt to bring this matter to an end by asking unanimous consent, first, that the item may be reconsidered; second, that the item may be amended by adding the ratification amendment which I had read into the RECORD last Friday,

and which I ask to have read at this time by the clerk.

The PRESIDING OFFICER. Without objection, the clerk will read.

The Chief Clerk read as follows:

Provided further, That the appropriation and authority with respect to the appropriation in this paragraph shall be available from and including July 1, 1949, for the purposes provided in such appropriation and authority. All obligation: incurred during the period between August 15, 1949, and the date of the enactment of this act in anticipation of such appropriation and authoriy are hereby ratified and confirmed if in accordance with the terms thereof.

Mr. O'MAHONEY. Mr. President, the Senator from New York indicates to me that he feels that it may be necessary for those who take the position which he and the Senator from Illinois have taken, to offer an amendment to increase the amount of the appropriation. Of course that is their right. I raise no question about it.

I shall then proceed, as I announced, to suggest the absence of a quorum, and then to ask that the motion to reconsider be agreed to, and then to ask that this priviliged amendment may be adopted. Then, if the Senators just mentioned make a motion to increase the amount of the appropriation—in other words, to disagree to the amendment and to return it to conference—as the chairman of the conferees, I shall be obliged to oppose such requested action.

Mr. SPARKMAN. Mr. President, will the Senator withhold his suggestion of the absence of a quorum for the time being?

Mr. O'MAHONEY. Yes; I withhold it.

Mr. SPARKMAN. Before the Senator suggests the absence of a quorum, let me say that I was about to ask unanimous consent to have printed in the RECORD an editorial entitled "Threat to Rent Control" appearing in the New York Herald Tribune for August 19, and also an editorial entitled "Sneak Legislation" appearing in the Washington Post of August 19. However, I have just been informed by the Senator from New York [Mr. IVES] that he has already inserted both those editorials in the RECORD. Therefore, I shall not ask that they be inserted again, but I wish to say that I think they are thoughtful editorials which everyone should read.

Mr. President, before we come to a final settlement of the matter of sufficient funds for rent control—and I want to say I am personally grateful to the able Senator from Wyoming for the manner in which he has tried to work this question out—I wish to state that I have read the letter from the Bureau of the Budget, and I believe we at least have a better understanding of the matter now than existed when it was considered last Friday. But, Mr. President, there are two other matters in the conference report which I want to call very briefly to the attention of the Senate. My attention was called to them at the time the conference report was called up on the Senate floor several days ago. I did not make a motion to reconsider the amendments or to do anything which would hold up adoption of the conference report. I fully realized the importance of getting an early agreement to the conference report. There are a great many agencies and there are many hundreds, perhaps thousands, of employees who are depending upon the early approval of this action for their pay and for the funds with which to continue operation. But there are two things in the conference report I want to mention. I believe they should be pointed out, even though they have already been agreed to.

One of them relates to payments in lieu of taxes, which subject was covered by Senate amendment 45. When the bill came to the Senate from the House it contained the following proviso:

Provided further, That no part of this appropriation shall be used to pay any public housing agency any contribution occasioned by payments in lieu of taxes in excess of the amount specified in the original contract between such agency and the Public Housing Administration or its predecessor agencies.

The Senate committee struck out that language, and the Senate agreed. But when the bill went to conference, the House conferees I assume were insistent upon the language being retained, and it came back to us with that language in the bill.

I wish to speak briefly about the effect of the provision, and to give some of its legislative history. Provisos identical with the one I have just read were included in the appropriation acts for the fiscal years 1948 and 1949. It was pointed out to the Congress that the provisos in effect compelled the Public Housing Administration to breach its contracts with local housing authorities in certain cases, compelled the local authorities to breach their contracts with local governing bodies, in some cases, and resulted in varying and inequitable treatment as between different communities. On this basis, and at the request of the senior Senator from Georgia [Mr. GEORGE], the Senate Appropriations Committee recommended, and the Senate adopted, amendments to the First Deficiency Appropriation bill for 1949, repealing the limitations for the fiscal years 1948 and 1949. The amendments were eliminated in conference, however, because the matter was contained in other legislation. In the Independent Offices Appropriation bill, 1950, the Senate Appropriations Committee recommended, and the Senate adopted, an amendment deleting the proviso.

In the Housing Act of 1949, Public Law 171, approved July 15, 1949, only a little more than 30 days ago, the Senate approved and the Congress enacted legislation repealing these provisions of the Appropriation Acts for 1948 and 1949, setting forth in full a statutory policy and requirement with respect to payments in lieu of taxes.

Thus the Senate during the present session has thrice declared itself against these limitations in the appropriation acts, and has voted a different policy on the subject, which was enacted into law a little more than a month ago by both Houses of Congress. Yet the conference committee rewrote into the law something which thrice during this year we had eliminated, something which we were in the act of eliminating at the very time the conference committee was in the act of writing it back into the bill. I think that is something we should bear in mind in considering the appropriation bills, and particularly in considering legislation on appropriation bills. That is what this was. It is true we could do nothing in the Senate, because it was added in the House. But it certainly disrupts and disturbs the legislative situation, with the effect that cities and local housing authorities and the Public Housing Administration do not know how to deal with one another.

I remember that, when this was included in the appropriation bill of 1948, I offered the amendment to strike it out. I did so at the wish of the Senator from Illinois, who was absent from the Senate that day. We have had this fight over and over and over in the Senate. This year, the elimination of the proviso was agreed to by both Houses of Congress, and when we passed the Housing Act of 1949, we set up a policy which should govern our actions thereafter. We now come to the conference report, agreeing to the House amendment. We are completely tearing up again the policy which we wrote into the law.

The restoration of the proviso in the Independent Offices Appropriation Act, 1950, will have the following effects.

First. Since it has already been adopted, it will be impossible to put into effect the statutory policy on payments in lieu of taxes contained in the Housing Act of 1949 as to all existing projects eligible for contributions during fiscal year 1950. Payments in lieu of taxes with respect to such projects in all cases would be limited to the amounts provided in the original contracts. In more than 150 cases—over one-half—this would mean that no payments in lieu of taxes could be made, since none were provided in the original contracts. In the remaining cases amounts could be paid ranging from 2 to 5 percent, but the cities affected would continue to be unequally treated. In some 17 cases payments would be required to be less than those called for by the existing contracts, because such amounts are greater than those provided in the original contracts, since amended.

Second. It would be difficult, if not impossible, to put into effect the pertinent provisions of the Housing Act of 1949 as to projects initiated after March 1, 1949, because (a) contracts at the new rates authorized by the act, even though they would be initial or original contracts, would be likely to encounter objection from the Appropriations Committees since they would be at rates in excess of those in existing contracts covered under the proviso, and (b) new contracts on a different basis would add further to the confusion in the basis for payments in lieu of taxes, and increase the disparity and inequity as between different cities.

Third. It would be all but impossible to amend existing contracts to put them on the new basis as authorized by the

Housing Act of 1949, for the same reasons.

Thus, in summary, the proviso in the independent offices appropriation bill, 1950, would effectively nullify section 305 (b) of the Housing Act of 1949, just adopted by the Congress.

Mr. President, the other provision to which I wish to call attention relates to transfer of temporary housing. In the bill as it came to the Senate certain language was contained, which the Senate struck out. That was amendment 87, found on page 78 of House bill 4177. That language is as follows:

Provided further, That the Administrator of the Housing and Home Finance Agency may relinquish and transfer, pursuant to the same general terms and conditions specified in subsections 505 (a) and (b) of the act of October 14, 1940, as added by the act of June 28, 1948 (Public Law 796), title to temporary housing provided for certain veterans and their families under title V of said act of October 14, 1940, as amended, to any State, county, city, or other public body: *Provided further*, That any application for such relinquishment and transfer shall be filed with the Administrator within 120 days after the approval of this act.

The measure was reported to the Senate with an amendment striking out that language, and the Senate agreed to it; but when it comes back to us from the conference, that language is carried in the the conference report.

Recession of the Senate from its amendment No. 87, as recommended by the conferees on this bill, would restore the House provision for relinquishment and transfer of veterans' temporary reuse housing projects to States, counties, and other public bodies.

In recommending the deletion of this provision, the Report No. 639 of the Senate Appropriations Committee stated that this legislative language should be considered by the legislative committee concerned along with the entire temporary housing problem. Since the date of that report, July 8, the Senate Committee on Banking and Currency has held hearings and fully considered this whole problem. On August 11, it reported S. 2246, which contains in title II comprehensive legislation dealing not only with this particular phase of the disposition problem, but with the problem as a whole, including the disposition of temporary and permanent war housing as well as veterans' housing.

Mr. President, in that connection I will say that the transfer of permanent housing met with some opposition. There was controversy, but there was no controversy in the committee, as I recall, with reference to temporary housing. My recollection is that the committee unanimously agreed to it.

This provision in House bill 4177 is clearly legislative in character. It would constitute a determination of basic housing policy not properly included in an appropriation measure. It covers only about 89,000 out of a total of nearly 304,000 temporary housing units under the jurisdiction of the Housing and Home Finance Administrator. There is no reason for Congress to deal with only a part of the problem and thereby give a preference to the communities in which these 89,000 units happen to be located. The entire matter, including collateral provisions necessary for a proper and consistent disposal program, should be considered at one time in a single piece of legislation such as title II of Senate bill 2246. Even with respect to the housing covered by the provision in House bill 4177, that bill is not fully in accord with the legislation recommended by the Senate Committee on Banking and Currency. For example, under Senate bill 2246, the Housing Agency would not be required to relinquish or transfer the Government's interest in the housing without certain assurances designed to prevent this housing from becoming slum property. These are most desirable provisions, and are not included in the language in the appropriation bill.

In addition, the provision in the appropriation bill does not conform to certain technical and clarifying language which the Senate Committee on Banking and Currency believes desirable for the proper handling of the disposal of the housing involved.

Mr. President, these particular amendments have already been agreed to, and, as I stated in the beginning, I have no inclination, and have not had, to postpone final agreement on the amendments, but I did feel that here were two legislative matters handled by the Appropriations committees absolutely contrary to legislation reported and acted upon by the various legislative committees established for the purpose of handling legislative matters.

As was so well pointed out by the Appropriations Committee in turning down this last provision, it demonstrates what many of us from time to time feel very keenly, namely, a further encroachment on the part of the Appropriations Committees on the jurisdiction of the respective legislative committees. For one, I want to protest vigorously against such things being written into appropriation bills. I was pleased that the Senate Appropriations Committee struck this language out. I only wish it might have stood fast in insisting that it remain stricken from the bill and that there might be closer adherence to the often-stated principle that legislative matters should be left to legislative committees.

Mr. MAGNUSON. Mr. President, on the question now before the Senate, I have just received a telegram from my home State, which I should like at this time to read to the Senate. It is addressed to me by the Veterans of Foreign Wars, and it reads as follows:

SEATTLE, WASH., *August 20, 1949.*

Hon. WARREN G. MAGNUSON,
United States Senate, Washington, D. C.:

Department of Washington, Veterans of Foreign Wars, greatly concerned probable rent decontrol of smaller communities due to lack Federal operating funds for OHE. Very apparent opponents of rent control using back-door method of appropriation cuts to defeat prior congressional approval of very necesary rent act. Everett, Wash., city council and mayor just denied decontrol appeal by operators' association. Veterans and labor proved fallacy of operators' arguments. If appropriation cuts approved Everett, for example, may be decontrolled although need of rent controls has been established at open hearing. Citizens and veterans of small, crowded communities entitled to same protection as those of large cities. Decontrol of smaller areas should not be determined on basis of lack of OHE funds but rather upon result of established procedures to determine further need of rent controls in those areas. Continued rent control on present level a necessity. Request utmost action for defense against Rent Act appropriation cut.

E. G. PATTERSON,
Quartermaster Adjutant, Department of Washington, VFW.

Mr. O'MAHONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Hill	Millikin
Baldwin	Holland	Morse
Bricker	Humphrey	Mundt
Bridges	Hunt	Murray
Byrd	Ives	Neely
Cain	Jenner	O'Mahoney
Chavez	Johnson, Colo.	Reed
Connally	Johnson, Tex.	Robertson
Cordon	Johnston, S. C.	Russell
Donnell	Kefauver	Saltonstall
Douglas	Kem	Schoeppel
Dulles	Kerr	Smith, N. J.
Eastland	Knowland	Sparkman
Ecton	Langer	Stennis
Ellender	Lucas	Taylor
Ferguson	McCarthy	Thomas, Okla.
Flanders	McClellan	Thomas, Utah
Fulbright	McFarland	Tobey
George	McGrath	Tydings
Gillette	McKellar	Vandenberg
Graham	McMahon	Watkins
Green	Magnuson	Wherry
Gurney	Malone	Williams
Hayden	Martin	Withers
Hendrickson	Maybank	Young
Hickenlooper	Miller	

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). A quorum is present.

Mr. O'MAHONEY. Mr. President, the question before the Senate is the motion of the Senator from Illinois [Mr. DOUGLAS] to reconsider the vote by which the House amendment to Senate amendment No. 46 in the independent offices appropriation bill, was agreed to. I think the matter had been thoroughly considered and thoroughly discussed prior to the quorum call.

There are two questions involved. First, and I think most important is that the amendment shall be amended by a ratifying amendment without which the Housing Expediter would be without any funds at all. If there be a second issue, it is whether or not the amount of money shall be increased.

Mr. DONNELL. Mr. President, will the Senator yield for an inquiry?

Mr. O'MAHONEY. I yield.

Mr. DONNELL. "Without which amendment being agreed to," I believe the Senator said, "the Housing Expediter would be without any funds." Is the Senator referring to the period up to September 15?

Mr. O'MAHONEY. That is correct. The Housing Expediter having no appropriation at all, was not covered by the continuing joint resolution. So, Mr. President, if those who believe that the appropriation is too small, desire, after the amendment has been adopted, to offer an amendment increasing the sum, and I hope they will not—I thought I had talked them out of it—or any other amendment, then that will have to be decided by a majority vote of the Senate, and I think it will be. As I have

stated to the Senator from Illinois [Mr. DOUGLAS] who made the motion to reconsider, and the Senator from New York [Mr. IVES], who seems to feel that the amount is too small, I shall ask the Senate not to agree to any amendment altering the amount of the appropriation, because I have had read to the Senate a letter from the Bureau of the Budget completely confirming the explanation made last Friday that the $17,500,000 may be apportioned throughout the year in such a manner that most of it can be expended in the first 6 months, and the smaller part in the last 6 months, and if, as a matter of fact, the rent control conditions are such that the work is not tapering off, it is perfectly within the right of the Housing Expediter and the Bureau of the Budget to send to Congress for its consideration a request for a deficiency appropriation.

So in order to avoid what I think to be an unnecessary roll-call and to confine the roll-call simply to any motion that may be made by the Senator from Illinois, I ask unanimous consent that the motion made by the Senator from Illinois to reconsider the vote by which the House amendment to Senate amendment No. 46 was agreed to, be agreed to, and that the amendment which I now send to the desk may be adopted to amendment No. 46. My amendment merely adds the provision of affirmation of expenditures which must necessarily be made.

Mr. WHERRY. Mr. President, reserving the right to object; of course, if the unanimous-consent request is agreed to, the junior Senator from Illinois [Mr. DOUGLAS] still may submit an amendment.

Mr. O'MAHONEY. Yes.

Mr. WHERRY. Or an amendment may be presented by any Senator.

Mr. O'MAHONEY. To amendment numbered 46.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Wyoming? The Chair hears none, and it is so ordered.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. As I understand, that means that the amendment I have just offered has been adopted?

The PRESIDING OFFICER. It does.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Yes.

Mr. DONNELL. The amendment was not read.

Mr. O'MAHONEY. It has been read a half a dozen times.

Mr. DONNELL. I should like, if the Senator does not object, to have it read.

Mr. O'MAHONEY. Certainly.

The PRESIDING OFFICER. The amendment will be read.

The Chief Clerk read as follows:

Provided further, That the appropriation and authority with respect to the appropriation in this paragraph shall be available from and including July 1, 1949, for the purposes provided in such appropriation and authority. All obligations incurred during the period between August 15, 1949, and the date of the enactment of this act, in anticipation of such appropriation and authority, are hereby ratified, and confirmed, if in accordance with the terms thereof.

Mr. DONNELL. Mr. President, does the Senator have any objection if I note at this point for purposes of easy reference, that the amendment as now read is the amendment which appears and was read by the Senator from Wyoming on August 19, 1949, and as set forth at page 12067 of the RECORD?

Mr. O'MAHONEY. That is the precise amendment.

Mr. DONNELL. I thank the Senator.

Mr. DOUGLAS. Mr. President, I send to the desk an amendment to Senate amendment numbered 46 which I ask to have read.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. In Senate amendment No. 46 to House bill 4177, it is proposed to insert the following after the figures "$17,500,000."

Provided, however, That the Office of Housing Expediter may expend during the period ending March 31, 1950, the funds made available to it under this Act.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. DOUGLAS. I yield.

Mr. O'MAHONEY. As I understand the amendment offered by the Senator from Illinois it would, if adopted, provide that $17,500,000 could be expended during the nine months period instead of during the twelve months period.

Mr. DOUGLAS. Yes, that is, if the circumstances required the expenditure of this amount.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. BRICKER. I ask unanimous consent that I may be permitted at this time to propound a question to the chairman of the committee, the distinguished Senator from Wyoming [Mr. O'MAHONEY].

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Ohio may proceed.

Mr. BRICKER. Does not that accomplish exactly the same thing we were assured in the letter from the Budget Bureau just read a few moments ago by the Senator from Wyoming they would approve if need were shown?

Mr. O'MAHONEY. No, Mr. President, I think it goes a little further, because it would mean that $17,500,000 could be apportioned for 9 months, and it would make it absolutely certain that there would be a deficiency for the remaining 3 months.

Mr. BRICKER. The amendment, then, would make the appropriation for 9 months instead of for 12 months, as proposed in the conference report?

Mr. O'MAHONEY. That is correct.

Mr. DOUGLAS. Mr. President, I think the wording is that the Housing Expediter "may" spend the appropriation within 9 months. It does not make the expenditure of the $17,500,000 mandatory within the 9 months. It merely permits the Housing Expediter to spend it in 9 months if the burden of administrative work is heavier than the sponsors of the $17,500,000 grant believe it will be. It seems to me that this suggestion really embodies the spirit of the informal discussion which we have had on the floor this afternoon and is in line with the assurances given by the very able Senator from Oregon [Mr. CORDON] and the junior Senator from California [Mr. KNOWLAND]. It permits a degree of flexibility upon which I hope both sides of the Chamber may agree.

Mr. KNOWLAND. Mr. President, I cannot quite agree with the able Senator from Illinois that this amendment does what the discussion on the floor indicated. The discussion on the floor related, as I understood it, to the fact that when the Congress makes an appropriation—in this case of $17,500,000—it is the duty of the Administrator so to adjust his budget that he can operate his department or agency for a full 12 months' period. I think the able Senator from Wyoming clarified the situation substantially today by pointing out that it would be no violation of the Antideficiency Act if an agency which was in fact tapering off spent a larger amount in the early period than it spent in the later period, or the tapering-off end of the situation.

During the course of the discussion it was pointed out that the Post Office Department has a greater burden in the December Christmas rush period than it may have in June. But the amendment offered by the Senator from Illinois goes far beyond that situation. In my judgment, it upsets the action which Congress has previously taken in pointing out that the agency had a responsibility to operate for a 12-month period under the appropriation allowed by the Congress. It nullifies the prior action by the Congress. In fact, it provides a substantial addition. I would certainly vigorously oppose the amendment offered by the Senator from Illinois if he should persist in his amendment at this time, because I think it completely changes the prior decision of the Congress.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the amendment of the House to Senate amendment No. 46 in the independent offices appropriation bill.

Mr. HOLLAND. Mr. President, I hope the distinguished Senator from Illinois will not insist upon his amendment. My reason for voicing that hope is that I share with him the feeling that the Congress must take care of the legitimate expenses of the Housing Expediter during the entire 12 months' period in the enforcement of the act which Congress has passed, under which it has placed upon the Expediter a great deal more activity and service than were required under the former act.

It is my feeling that if the Senate—as I think it may do—should reject the amendment which the Senator from Illinois has now offered, it might very conceivably affect the decision already reached by the Bureau of the Budget and the opinion which has been written into the RECORD, because it would bring about an entirely different situation and as against a different background. I hope

the distinguished Senator will not insist on his amendment.

I think every Senator knows that this particular activity is not like the ordinary budgeted activity, which is assumed to be just as great at the end of the 12 months' period as it is at the beginning. This activity is tapering off. It is liquidating. An uncertain number of decontrols are to take effect. There are four kinds of decontrols provided for, namely, orders by the Expediter, orders by the Emergency Court of Appeals, action of the State legislature, and action by local units of government supported by the request and approval of the governor. No one can possibly foresee what the sum total of decontrols will be during the period. Everyone is hoping that they will be greater instead of fewer.

Furthermore, there are uncertainties arising from the fact that no one knows how many evictions there will be. There is one of the extra duties we placed upon the Expediter. No one knows how many rent adjustments there will be. I think we should allow the Expediter to enter into this program with the amount we have provided, with the understanding that he faces an uncertain task of undetermined size, and with the mandate that he shall, under the direction of the Bureau of the Budget, do the best job he can with this money, and come back to Congress if it is necessary to do so.

The reason for my request of the distinguished Senator from Illinois is that I believe the record would be much less hopeful from his point of view if the Senate should decide to vote down his amendment than if he were to leave the situation just as it is.

I commend the Senator from Wyoming for the patience with which he has handled the entire matter, and for the diligence with which he has handled it in conference. When he tells us that he cannot do any better than this in conference, I think it is tantamount to telling us that the adoption of this amendment would subject him to an impossible situation in conference. I hope we shall not burden him further in this way.

It seems to me that we shall have the situation in good shape if this amendment is withdrawn. I say that from the background of one who has voted for larger rather than smaller appropriations for this particular activity. I felt that, having voted to place extra duties on the Housing Expediter, it was my duty to stand for adequate instead of smaller appropriations.

I hope the distinguished Senator from Illinois will withdraw his amendment.

Mr. O'MAHONEY. Mr. President, I thank the Senator from Florida. I believe that this amendment should be either withdrawn or defeated. We are facing a factual situation. As the matter now stands, the Senate has approved an amendment which the House conferees will accept. The moment this is done the bill will be on the way to the White House for signature, and funds will be available for the Housing Expediter. If any further delay is occasioned, the matter will have to go back to conference, and the Lord only knows what the outcome will be. I regret to say to the distinguished Senator from Illinois that I hope, if the amendment is insisted upon, that the Senate will reject it.

Mr. DOUGLAS. Mr. President, it is with mingled feelings that I rise to withdraw the amendment I have recently offered. But I think perhaps I should state briefly why I do so.

In the first place, I certainly do not want to tie up the appropriation bill for the independent offices. I think we have had altogether too great a delay in getting this and other appropriation bills through both Houses, and I do not want to be a party to any further delay.

We have had considerable assurance on the floor this afternoon that if the work of the Housing Expediter does not taper off, then a number of Senators on both sides of the aisle—most of whom, I believe, are members of the Appropriations Committee—will support a proposal for additional funds if it is made in the early part of the year. On the good faith of what I understand those promises to be, and as the printed RECORD will reveal, I am therefore ready to withdraw my amendment.

However, if the work of the Housing Expediter does not taper off—and personally I do not expect that it will—if next January the Housing Expediter should ask for the necessary funds with which to carry on his work for the remainder of the year, and we are then faced with an attempt to cut off the needed additional funds, I shall regard it as a breach of faith, and I shall work with might and main to see that the Housing Expediter is furnished with adequate funds to carry on the work of protecting tenants from improper rent increases and at the same time giving justice to the landlords.

In short, I am willing to withdraw the amendment, and rest upon the good faith of Senators on both sides of the aisle. If in January or later I find that because of my trusting nature I have been seduced in this matter, I shall naturally feel it my duty to try to tear my seducers from stem to stern.

Mr. IVES. Mr. President, I had hoped and expected to support the amendment offered by the able Senator from Illinois; but after reconsideration of this question and having listened to the presentations which have been made here this afternoon, the pledges which have been forthcoming from important and distinguished Members of the Senate, and realizing, as I do, that the chances are that either this amendment or the other amendment replacing the money stricken from the appropriation bill by the conferees, would very likely meet with defeat in the Senate this situation might put any of us who feel the necessity for asking for additional funds in the next session of Congress at a great disadvantage—in view of these facts, I shall join the able junior Senator from Illinois not to press any amendment. However, I look to my colleagues in the Senate to support the position which some of us find it necessary to take because of conditions which exist in our own States should we find that additional funds will be necessary next January or next February.

Resting on the confidence which I have in my colleagues in the Senate to see that justice and fairness prevail in this matter, I join the able Senator from Illinois in the position which he has taken.

Mr. O'MAHONEY. Mr. President, I move that the Senate agree to the amendment as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wyoming.

Mr. WHERRY. Mr. President, before we vote on the motion, I wish the RECORD to show that I am not one who has promised any relief next January. I wish the RECORD to show that before we take this vote. I shall be glad to be fair about anything, certainly. I shall be glad to reconsider anything. But I do not wish the withdrawal of the amendment by the junior Senator from Illinois to indicate that because he withdraws it, I, for one, am pledging full faith and support for the position he has taken.

The PRESIDING OFFICER. The question is on agreeing to the amendment as amended. Without objection——

Mr. FERGUSON. Mr. President, I feel the same way the Senator from Nebraska does, namely, that in allowing this amendment to be withdrawn without a vote on it, I do not place myself in the position that at some future time when this matter may come up, I shall allow some other Senator to judge as to the good faith of myself or any other Member of the Senate. So far as I am concerned, we shall treat this matter and shall vote on it when it comes up.

Mr. KNOWLAND. Mr. President, I am sure that if all Senators will read the entire RECORD, both the statement made by the able Senator from Wyoming and the statements made by other Members of the Senate, it will be perfectly clear that no commitments which would warrant an agency chief in ignoring the appropriation voted by the Congress are being made. There should be a general tapering off. If the tapering off does not take place, there is no commitment on the part of anyone to support a deficiency appropriation. The facts which may be developed and the good faith of the agency director in complying with the appropriation allowed by the Congress by living within the appropriation will all be factors which will be considered by the Appropriations Committee and by the Senate of the United States when it might come to act on any future request for funds.

Mr. DONNELL. Mr. President, I should like to say, along the lines of the statement made by the Senator from Michigan, that I do not wish to make any commitment at this time as to how I shall vote upon this matter next January or at any other time. I shall undertake to vote then as I deem proper.

The PRESIDING OFFICER. Without objection, the House amendment as amended is agreed to.

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have inserted at this point in the RECORD certain statistics showing the increase in the work load of the Housing Expediter during the last 4 months under the new law, as compared with his work during the preceding 4 months under the old law.

There being no objection, the statistics were ordered to be printed in the RECORD, as follows:

OFFICE OF THE HOUSING EXPEDITER—COMPARISON OF WORKLOAD AND BACKLOGS

The Housing and Rent Act of 1949, Public Law 31, became effective on April 1, 1949. This statement compares workload and backlogs for the first 4 months of the new act with the preceding 4 months.

In the 4 months prior to April, there were 160,006 landlords' petitions for rent increases filed in area rent offices. During these same 4 months 160,871 landlords' petitions were acted upon which means that production was ahead of intake. At the beginning of April there were 42,864 landlords' petitions pending final action.

In the 4 months since April 1 the number of landlords' petitions filed shot up almost 25 percent, amounting to 197,945. Despite the fact that production during this period was only slightly less than in the preceding 4 months, the backlog has more than doubled, amounting to 90,442 cases at the end of July.

Much the same story is true on tenants' cases. During the 4 months prior to April 88,214 compliance actions were docketed and 82,778 actions were closed with a backlog of 28,646 cases. During the 4 months since April 1 the number of actions docketed rose to 106,747. Despite an increase in production—94,504 actions closed—the backlog by the end of July amounted to 40,843 cases, an increase of more than 42 percent.

But this is not the whole story. The present act restored the Housing Expediter's control over evictions. In the 4 months, April through July, there was an additional workload of 139,702 notices of eviction and 76,938 petitions for certificates of eviction filed. It must also be remembered that the present act restored the authority of the Housing Expediter to settle overcharge violations. During the past 4 months settlements have been effected in 23,623 cases, involving refunds to tenants and payments to the United States Treasury in the amount of $1,900,589. In addition, the Housing Expediter was required under the present act to appoint landlord-tenant consultants in each of the more than 450 local offices throughout the country.

This tremendous increase in workload and backlogs has taken place despite the fact that 339 decontrol actions have taken place between April 1 and August 18 of this year. These decontrols consisted of 209 actions by the Housing Expediter on his own initiative, 125 as the result of local option, 3 by State option, and 2 on the recommendation of local rent advisory boards. One hundred and eleven of the five hundred and ninety-nine defense-rental areas in existence on April 1 have been entirely decontrolled with the remaining actions affecting portions of areas. These decontrol actions have resulted in some reduction in force between April 1 and August 1, 1949.

Despite such an increase in workload and decline in personnel, an increase in production has been achieved. Under the above conditions, however, and with the added work caused by the necessity of computing fair net operating income, it is easy to understand why backlogs are accumulating until they have reached the danger point.

Summary of work-load changes, Office of the Housing Expediter, Chicago, Ill.

	Dec. 1, 1948, to Apr. 1, 1949	Apr. 1, to Aug. 1, 1949
1. Landlords' petitions:		
(a) Petitions filed	9,209	16,790
(b) Petitions processed	8,733	9,123
(c) Petitions pending at end of 4-month period	4,005	11,672
2. Tenants' cases:		
(a) Cases filed	3,298	3,981
(b) Cases processed	3,258	3,707
(c) Cases pending at end of 4-month period	765	1,039
3. Eviction actions:		
(a) Notices of eviction received (from tenants)		6,374
(b) Petitions for certificates of eviction (from landlords)		9,011

INTERIOR DEPARTMENT APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment proposed by the Senator from Oklahoma [Mr. KERR] to the committee amendment on page 6, in line 13, striking out "$1,616,115," and inserting in lieu thereof $3,990,000."

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. I ask the Chair to state the situation relative to the unanimous-consent agreement to vote on this amendment, which is in reality a bloc of four amendments on pages 6 and 7.

The PRESIDING OFFICER. The order entered into today is as follows:

Ordered, That the order of Friday limiting debate on the committee amendments shown on pages 6 and 7 of House bill 3838, the Interior Department appropriation bill for 1950, be rescinded; that on Tuesday, August 23, 1949, at the hour of 2:30 o'clock p. m. the Senate proceed to vote without further debate upon the question of agreeing to the amendments en bloc or upon any amendment proposed thereto; that the time between 12:30 o' clock and 2:20 p. m. on said day be equally divided between those favoring and those opposing the said amendments, and be controlled, respectfully, by the Senator from Oklahoma [Mr. THOMAS] and the Senator from Alabama [Mr. HILL].

Mr. HAYDEN. Mr. President, having passed over the Southwestern Power Administration amendments, the next committee amendment appears on page 8, and relates to the Bonneville Power Administration. The amount adopted by the House of Representatives was $29,927,500. The Senate committee voted to increase that amount to $30,284,500, but those increases are due entirely to supplemental budget estimates received after the bill came to the Senate.

I may state in a general way with respect to the Bonneville power situation that that Administration handles the power developed hydroelectrically on the Columbia River. It is my understanding that in the course of time there can be developed there between 25,000,000 and 30,000,000 kilowatts of power. That is an enormous hydroelectric development. Under those circumstances, the issue is not exactly the same as it is in the case of the Southwestern Power Administration, in that under the Southwestern Power Administration when all the hydroelectric developments are completed, as contemplated in the entire area, the hydroelectric power will not provide more than 20 percent of the power generated in the area, whereas in the Columbia River area hydroelectric power as developed will amount to very much more than the steam power developed. There will be some steam development; but firming up the power is brought about by building one dam after another up the stream, and each dam up the stream firms up the power for those below.

That is about all the statement I care to make at this time.

I now yield to the Senator from Washington.

Mr. MAGNUSON. Mr. President, what the Senator from Arizona has said is fundamentally correct. I expect to offer an amendment to the committee amendment on the so-called Kerr-Anaconda transmission line, which is involved in the subject mentioned by the Senator from Arizona.

Prior to offering the amendment, let me say that, as I said last Friday on the floor, although these items are somewhat different in certain specific instances, nevertheless the whole problem of these amendments relating to transmission lines, whether they be in the Southeast, the Southwest, the Pacific Northwest, or the Central Valley of California, to my mind involves the same fundamental subject. I think the issue is clear. It was stated very aptly by the distinguished junior Senator from Oklahoma [Mr. KERR] in his discussion of the Southwestern Power Administration transmission matter the other day, when he made a statement to the effect that provision for the lines which were not objected to by the private power representatives was left in the appropriation bill, but provision for all the lines—whether in one section of the country or another—which were objected to by the private power groups, whose representatives appeared as witnesses before the Appropriations Committee, as they had a right to, was rejected.

So in my opinion this gets down to an almost 20-year fight in the Congress between the development of public power as it clashes with the interests of private utilities and the private power lobbies.

Before I offer my amendment, Mr. President, I wish to speak briefly on the general subject. I know that many other Senators, particularly Senators from my area and those in other affected areas in the Southwest and Southeast, probably will also have something to say on this general subject. Mr. President, I speak, of course, in opposition to all these committee amendments. Other Senators have already stated for instance that one amendment eliminates a $70,000 item for salaries and expenses in the Secretary's office, a $70,000 item needed to finance a power marketing survey in Southeastern United States. That does not involve

directly a transmission line, though it gets to the meat of the coconut in the argument of this matter. It involves again the long standing clash, which has extended over many years, between proponents of the development of public power, with the Government's participation in the development, and the private power interests.

In the southeastern area of the country, an amendment affecting which will be up for consideration in the Senate shortly, a number of dams have been constructed by the Army engineers, and they are now, or in the near future will be, producing hydroelectric power. How best to market that power for the benefit of the people who have invested money in the dams is of vital concern to the Congress, to citizens of the area, and the Nation. Without such a survey, for example, in this case, the Secretary of the Interior will be without accurate and workable data with which to carry forward his efforts and discharge his obligations under the Flood Control Act of 1944, in which Congress laid down the national power policy, and which, in my opinion, has been circumvented by the committee's action on transmission lines, and the two amendments of which I speak.

Some may wonder why I, a Senator from the Pacific Northwest, should be concerned about a $70,000 appropriation for the administration of southeastern power. My concern stems from the fact that the committee amendment, as I have previously stated, is the first of a series of actions by the committee adding up to a pattern, which we have long since come to recognize as the handiwork of the private power lobby. Those responsible for that handiwork operate in every section of the country. Wherever the people invest their money in a power-producing dam, the weavers will be found at work. Always the pattern is the same. It is the pattern here involved—"You build the dam, we will distribute the power, we will take it at the bus bar, we well resell your power to you, at our price."

There are 13 separate items in the bill in which the issue of who shall distribute the people's power is clearly drawn. Other Senators and I shall speak directly to each of these as they are reached. It is my purpose to attempt to demonstrate what the issue is, so the Senate and the country may know how the 13 separate appropriations are interrelated, and how they affect the entire Federal power policy.

Mr. SPARKMAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Alabama?

Mr. MAGNUSON. I am glad to yield.

Mr. SPARKMAN. Before the Senator gets too far away from the item relating to the southeastern power situation, involving only $70,000, I may say I am sure the Senator knows that the question of transmission lines is not involved in that program.

Mr. MAGNUSON. It is not directly involved, I may say to the Senator.

Mr. SPARKMAN. That is what I mean, it is not involved in that one particular administration. As a matter of fact, the only thing there attempted is the carrying out of a clear mandate of the Congress in the 1944 Flood Control Act, to market the power generated at the dams which are being built under appropriations made by Congress.

I wonder whether it would not be well also to keep in mind that it would be an easy matter in the Southeast to market the power through the TVA, if it were desired to do so. But long years ago there was a somewhat tacit agreement reached to the effect that TVA would limit its operations to a rather well-defined territory. If the private power interests want to force the Government to do it, the Department of the Interior could very easily make a contract with TVA to market all this power. But the inevitable result would be to push the TVA out of the territory to which heretofore it has limited itself and restricted its operations.

With that preliminary statement I should like to ask the able Senator: Is not $70,000 a very small expense to authorize, when we consider the fact that during 1950 there will be $1,000,000 worth of power to sell in the Southeast, and that, over the next 3 years, it will be stepped up to $10,000,000? Would not any private business concern regard $70,000 as a very small item with which to begin building up a business organization for the purpose of marketing, in a fair and businesslike manner, that much power?

Mr. MAGNUSON. Of course. That is why the amendments seem to represent such false economy. It is preliminary to the developments in the southeastern area which will give the people cheap power. But the private utility interests oppose it because they think that any good planning in the southeastern part of the United States will of necessity involve the Government's building some more dams at which to produce cheap power, and that of necessity it will involve probably the Government's building certain transmission lines with which to distribute the power, where private power companies have not done so, where they will not do it, or where they cannot do it. That is the ground of the opposition.

Involved also in all the 13 amendments are the following agencies within the Interior Department: Office of the Secretary, Southwestern Power Administration, Bonneville Power Administration, and Bureau of Reclamation. In each case the symbol of the issue is a backbone transmission line, related facility, or related activity.

Let me refer now to certain language in the committee report which makes eminently clear the issue I am discussing. In other words, it is language which, in relation to all 13 of the amendments, shapes up the pattern we are talking about. On page 4 of the committee report appears the following statement:

> The private electric-utility companies, operating in the area of the Southwestern Power Administration, have advised the committee that they will make the entire transmission and related facilities of their respective systems available to the Government without charge to the Government's customers, for the carrying of electric power and energy from the Government-owned transmission system to preferred customers of the Government. * * * The compensation for such transmission and additional energy to be in conformance with the principles found in the contract between the Southwestern Power Administration and the Texas Power & Light Co.

In other words, we were referring to the so-called Texas contract, which has been talked about so much in the past few days.

In other words, Mr. President, private electric utilities in the Southwest have convinced the committee there is no need for further construction of transmission lines by the Government in this great section of the country. The private utilities will wheel federally generated power over their lines in accordance with provisions of the contract between Southwestern Power Administration and the Texas Power & Light Co.

I shall not comment on this contract, although I could. I do not know how many Members of the Senate have read it, but I suspect very few have done so, even among those who have discussed it. But I shall not take the time of the Senate to analyze it fully. It is a long contract. I have a copy of it, however, and I shall be glad to lend it to any Senator who may be interested in the contract.

The contract prohibits Southwest Power Administration from supplying electric energy to any customer outside the so-called preferred class for 18 months after the date service begins under the contract. The penalty for violation of this clause is that the company may terminate the contract by giving the Government 3 years' written notice and that "the Government shall compensate the company by means of a credit equal to the difference between the cost of such power and energy computed at the lowest then effective rate of the Government and the cost of such power and energy computed at the lowest then effective rate of the company applicable to the service to such customer." In other words, the contract requires the Government, as a penalty for serving a customer outside the preferred class, to pay the company the difference between its cost and the Government's cost. This contract may be acceptable in the Texas situation. Neither it nor the policy it represents, however, should be foisted upon other power-producing sections of the Nation without full hearings and debate.

This matter was never discussed as a legislative-policy matter. It was never discussed as a part of the work of the legislative committee which had the duty and the responsibility to determine the Federal power policy.

On page 6 of the committee report is the following paragraph:

> The committee has not approved construction of the Kerr-Anaconda transmission facilities at this time. While the committee recognizes the line must be built, the testimony indicates it is not necessary to com-

1250) to amend the Institute of Inter-American Affairs Act, approved August 5, 1947, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That the Institute of Inter-American Affairs, created by Public Law 369, Eightieth Congress, shall have—

"(a) Succession until June 30, 1955; and

"(b) Authority, within the limits of funds appropriated or specific contract authorizations hereafter granted to it, to make contracts for periods not to exceed five years and not to extend beyond June 30, 1955, in any case.

"SEC. 2. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums, not to exceed $35,000,000, as may from time to time be necessary to carry on the activities of the Institute during the period ending June 30, 1955, and the appropriations hereby authorized shall be in addition to appropriations pursuant to authorizations granted in Public Law 369, Eightieth Congress."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill, and agree to the same.

JOHN KEE,
JAS. P. RICHARDS,
MIKE MANSFIELD,
ROBERT B. CHIPERFIELD,
DONALD L. JACKSON,
Managers on the Part of the House.

BRIEN MCMAHON,
THEODORE FRANCIS GREEN,
J. W. FULBRIGHT,
ALEXANDER WILEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1250) to amend the Institute of Inter-American Affairs Act, approved August 5, 1947, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The differences between the Senate version of the bill and the House version of the bill were with respect to (*a*) form, and (*b*) amount.

With respect to the form of the bill, the Senate recedes and accepts the language of the House version. With respect to the amount authorized for appropriation, the Senate version provided for $25,000,000 whereas the House version provided for $40,000,000. The conferees have agreed on a compromise figure of $35,000,000.

The view of the committee of conference was that the program of the Institute should give increasing emphasis to the opportunities offered in the field of educational cooperation.

JOHN KEE,
JAS. P. RICHARDS,
MIKE MANSFIELD,
ROBERT B. CHIPERFIELD,
DONALD L. JACKSON,
Managers on the Part of the House.

Mr. KEE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (S. 1250) to amend the Institute of Inter-American Affairs Act, approved August 5, 1947.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this is the unanimous report of the conferees and that actually the amount is reduced by $5,000,000.

Mr. KEE. That is correct.

Mr. MARTIN of Massachusetts. That is the only change?

Mr. KEE. Yes. And the Senate agreed to the form of bill as passed by the House.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the conference report.

Mr. KEE. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

INDEPENDENT OFFICES APPROPRIATION BILL, 1950

Mr. THOMAS of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4177) making appropriations for the Executive Office and sundry independent bureaus, boards, commissions, corporations, agencies and offices for the fiscal year 1950, and for other purposes, with amendments of the Senate to the amendments of the House to Senate amendments Nos. 46 and 74, and concur in the same.

The Clerk read the title of the bill.

The Clerk read the amendments of the Senate to amendments of the House to Senate amendments Nos. 46 and 74.

Mr. JAVITS. Mr. Speaker, reserving the right to object, is this the appropriation that contains funds for the Office of Housing Expediter, that was the subject of consideration in the Senate today on a motion to reconsider?

Mr. THOMAS of Texas. That is correct. What we are doing is moving to concur in the Senate amendment.

Mr. JAVITS. What is that amendment?

Mr. THOMAS of Texas. It simply provides that obligations incurred by the Housing Expediter between August 15 and the date of enactment of this act shall be legal and valid. In other words, it permits the Housing Expediter to incur obligations on the same basis as did the continuing resolution passed several days ago as to other agencies.

Mr. JAVITS. Is the gentleman aware of the debate which took place in the other body today, that emphasized the fact that if the work load of the Housing Expediter did not taper off as the conferees expected it would, and hence the reason for their action, it was understood generally in the debate, without any commitments, that the Housing Expediter would feel free in January, if his work load had not tapered off, to come in and seek a deficiency appropriation.

Mr. THOMAS of Texas. That is correct.

Mr. CASE of South Dakota. Reserving the right to object, Mr. Speaker, no such understanding could be binding upon the Congress. There is a necessity for concurring in this Senate amendment, if the gentleman wants the Housing Expediter to have any funds with which to function at all, because the amendment, as I understand it, proposed by the Senate provides that there shall be validated expenditures that the Expediter might make under the $17,500,000. Without this amendment he will not have any money at all.

Mr. JAVITS. Further reserving the right to object, I understand, of course, that no binding commitment can be made. Nevertheless, we are anxious to legislate for the country. All I have done is to repeat what took place in the other body, and the conception that they had as to why it was being done as it was done. There is no effort to bind anybody, and obviously, as the gentleman says, they could not.

Mr. CASE of South Dakota. The debate that took place in the Senate on Friday, running through about nine pages of the CONGRESSIONAL RECORD, shows that this question was raised then, and the last word that was said brought out the fact that, in view of the antideficiency statute, no understanding was had that would create any authority. It would be a matter for the Congress to decide. I think, if the gentleman is interested in getting some additional funds for the Housing Expediter, he ought to be willing to agree to this amendment, because without this amendment he will not have any. If additional funds are to be required they can be put into the supplemental bill which is pending there now.

Mr. JAVITS. I would hazard that this gentleman is at least as interested as the gentleman from South Dakota in getting funds for the Housing Expediter. I am just stating here, so that the record may be clear, why people like myself are concurring in the amendment at all.

Mr. CASE of South Dakota. I have no objection to that, but the record cannot show that there was any understanding or any agreement with respect to additional funds.

Mr. MULTER. Mr. Speaker, a parliamentary inquiry.

Is it not a fact that the confirmation of this conference report will in no way affect the action of the Congress if it sees fit to make an additional appropriation at a later time so that the Housing Expediter can function properly?

The SPEAKER. That is not for the Chair to determine as a parliamentary inquiry.

Mr. MARCANTONIO. Reserving the right to object, Mr. Speaker, I believe the House should concur in the Senate amendment, because there is now before us no other recourse. However, I hope that this removes from Mr. Tighe Woods the alibi he has been advancing for decontrolling and for raising rents. I have heretofore given the House facts upon

which Mr. Tighe Woods should be removed. I reiterate that request. He is serving the real-estate interests, and his office is definitely operating against the best interests of the tenants of this country. Mr. Woods is an agent of the real-estate gang and it is high time that we recognize his real role.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. BENNETT of Florida. Reserving the right to object, Mr. Speaker, I am informed that the agreement changes the law as we sent it to the Senate with regard to veterans' schools. It contains a provision to a 12-month period, if required.

Can the chairman of the committee advise me about that? I am told by our State superintendent of education that it is going to make a difficult situation in Florida because we do not have enough trade schools there at the present time and it will discourage the establishment of new schools.

Mr. THOMAS of Texas. That point is not in disagreement now; but, for the gentleman's information, a school that has been established for a year or longer will not be affected, and if a school has been in operation less than a year and a veteran has already enrolled in it, he is not affected.

Mr. JAVITS. Mr. Speaker, will the gentleman yield further?

Mr. THOMAS of Texas. I yield.

Mr. JAVITS. I wish to ask the gentleman whether the gentleman has inquired from the Housing Expediter whether if these amendments are accepted he does or does not intend to go through with this announced decontrol of one-third of the country?

Mr. THOMAS of Texas. Let me say to the gentleman from New York that I have not had an opportunity to talk to him about his newspaper statement. Perhaps he might be a little bit in error as to his intentions. But be that as it may, the conferees have no intention of trying to hurt rent control, and if the funds that are provided are not sufficient that can be worked out, because I know we are not trying to break up rent control. We think he can get along with this money, but if he cannot, certainly the Deficiency Committee will be in session and can consider his needs at a later date.

Mr. JAVITS. Does not the gentleman feel that under these circumstances any impression that has gone out that one-third of the country is to be decontrolled ought to be negated?

Mr. THOMAS of Texas. I think that perhaps was unfortunate, but Mr. Woods is a very capable man; he is quick on his feet, and he can take care of himself.

Mr. JAVITS. I thank the gentleman.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. THOMAS of Texas. I yield.

Mr. HESELTON. I would like to ask the gentleman from South Dakota if this contains an amendment also covering the matter of aviation training for veterans? It is my understanding that such action was taken, but I want to be sure we are doing what we thought we were.

Mr. CASE of South Dakota. That question is one of the matters which really is not in disagreement at the present time, for both the House and the Senate concurred in the language relating to aviation training. I may, however, say that the original Senate language was modified somewhat in conference and has now been approved by both bodies. It was modified in this respect, that when a veteran seeks to get flying training, instead of its being sufficient for him to supply two affidavits the new language requires that those affidavits be by noninterested persons so as to avoid what was thought to be an abuse where the recruiting sales agent for a flying school might supply one affidavit and some other interested party the second affidavit.

Mr. HESELTON. Then do I understand that if a veteran makes a sincere application supported by affidavits that he intends to use this in his vocation and furnishes the individual affidavits that there is a commitment upon which the Veterans' Administration must grant him the right to take that training?

Mr. CASE of South Dakota. Yes; if the man can show that he intends to use it in connection with earning a livelihood.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman from Texas yield for me to ask a question of the gentleman from South Dakota?

Mr. THOMAS of Texas. I yield.

Mrs. ROGERS of Massachusetts. Is a sufficient amount included for operation of the insurance fund?

Mr. CASE of South Dakota. The House agreed the other day in the conference report to adding something over $400,000,000 for the purpose of providing for the insurance program on the basis of the supplemental estimate. That went to the other body. That was agreed to the other day and is not now in disagreement.

Mrs. ROGERS of Massachusetts. I think they have enough money but they should get out their checks much more promptly if they would.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The amendments of the Senate to the amendments of the House to the amendments of the Senate No. 46 and No. 74 were concurred in.

A motion to reconsider was laid on the table.

(Mr. BENNETT of Florida asked and received permission to extend his remarks at this point in the RECORD).

PROPOSED FEPC BILL

Mr. BENNETT of Florida. Mr. Speaker, I oppose the enactment of the proposed FEPC bill. Regardless of the motivation for such a law, it will not accomplish its avowed objectives. There never has been a human being or a group of human beings with sufficient insight into the minds of men to determine whether or not unfair discrimination is present in any particular instance. Such a law would be impractical. It would be merely a source of litigation, strife, and harassment.

The South favors segregation. In the North there is apparently a desire by some people to enact laws against segregation, not only for the North but for the entire Nation. FEPC would seek to destroy segregation of the races, at least in the employment phase of social behavior. This would not improve the opportunities of colored people.

Segregation is a natural thing. Everywhere in nature we find it. The cactus and the tiger lily usually cannot even live side by side. It is manifest that there are no equal people or even approximately identical individuals, regardless of the question of race. In human nature segregation is natural. For example, young people who habitually attend Christian Endeavor meetings seldom find their usual companionships among young people constantly frequenting taverns and bars.

The laws of nature cannot be changed by human laws. Laws not first written in the souls of men, like tracings by finger tips in wet beach sands, dissolve by force of the superior laws of nature.

Aside from the impracticality of the FEPC bill, the objectives of better opportunities for all are more readily achievable in a segregated system of society. The northern approach of abolishing segregation has resulted in fewer opportunities for colored people than the southern approach of preserving segregation. This we can see from even a casual study.

Recently a colored man from the North visited the South and affirmed in widely distributed news releases that opportunities for Negroes are better in the South than they are in the North. He pointed out that Negroes could be taxicab drivers in the North but could not get franchises to run taxi companies as they could in the South.

The same can be said for opportunities in professional groups. For instance, out of every 1,000 Negroes in the South, 7 Negroes have professional jobs in education, while in the rest of the Nation the ratio is only 1 out of every 1,000 Negroes. The ratio—on a per capita population of Negroes basis—is 7 to 1 in favor of the segregated system of the South. I am told that not a single college president in the North is a Negro, while over 200 Negroes are college presidents in the South.

In the North there are today less than 100 Negroes in medical and dental schools, while in the South, in 2 segregated medical schools alone, there are 1,100 Negroes enrolled. For example, there are more Negroes from Pennsylvania in one of these southern schools than there are Pennsylvania Negroes in all of the medical schools in Pennsylvania.

In the South, where segregation in employment is practiced, Negroes traditionally do certain types of work; and if they have the desire to advance themselves they have a better chance to achieve employer status and professional types of work than they do in the North. There are Negroes in my home town who employ many other Negroes in such varied fields as construction and insurance. In my section of the country there

[Public Law 266—81st Congress]

[Chapter 506—1st Session]

[H. R. 4177]

AN ACT

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1950, namely:

TITLE I

EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of $50,000 per annum, as authorized by the Act of January 19, 1949 (Public Law 2), $150,000.

THE WHITE HOUSE OFFICE

Salaries and expenses: For expenses necessary for The White House Office, including compensation of the Secretary to the President and the six administrative assistants to the President as authorized by law, and the two additional secretaries to the President at $10,330 each, and other personal services in the District of Columbia; printing and binding; not to exceed $127,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at such per diem rates for individuals as the President may specify, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service; and travel and official entertainment expenses of the President, to be accounted for solely on his certificate; $1,375,140.

EMERGENCY FUND FOR THE PRESIDENT

To provide for emergencies affecting the national interest or security, without regard to such provisions of law regulating the expenditure of Government funds as the President may specify, and for supplementing the efforts and available resources of State and local governments or other agencies in alleviating hardship or suffering caused by flood, fire, hurricane, earthquake, or other catastrophe in any part of the United States, $1,000,000: *Provided*, That assistance in alleviating hardship or suffering caused by such a catastrophe may

be rendered through such agency or agencies as the President may designate and in such manner as he shall determine, without regard to such provisions of law regulating the expenditure of Government funds or the employment of persons in the Government service as he shall specify, whenever he finds that such a catastrophe is of sufficient severity and magnitude to warrant emergency assistance by the Federal Government in alleviating hardship or suffering caused thereby, and if the Governor of any State in which such a catastrophe shall occur shall certify that such assistance is required, and shall have entered into an agreement with such agency of the Government as the President may designate, giving assurance of expenditure of a reasonable amount of the funds of the government of such State, local governments therein, or other agencies, for the same or similar purposes with respect to such catastrophe: *Provided further*, That within any affected area Federal agencies are authorized to participate in any such emergency assistance: *Provided further*, That no part of this appropriation which may be allocated for alleviating hardship or suffering caused by a catastrophe shall be expended for departmental personal services or for permanent construction: *And provided further*, That no part of this appropriation shall be available for allocation to finance a function or project for which function or project a budget estimate of appropriation was transmitted pursuant to law during the Eighty-first Congress and such appropriation denied after consideration thereof by the Senate or House of Representatives or by the Committee on Appropriations of either body.

EXECUTIVE MANSION AND GROUNDS

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Mansion and the Executive Mansion grounds, and traveling expenses, to be expended as the President may determine, notwithstanding the provisions of any other Act, $260,400.

BUREAU OF THE BUDGET

Salaries and expenses: For expenses necessary for the Bureau of the Budget, personal services in the District of Columbia and elsewhere; exchange of books; newspapers and periodicals (not exceeding $200); teletype news service (not exceeding $900); printing and binding; not to exceed $30,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed $50 per diem for individuals; a health-service program as authorized by law (5 U. S. C. 150); and the payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); $3,300,000.

No part of the appropriations herein made to the Bureau of the Budget shall be used for the maintenance or establishment of more than four regional, field, or any other offices outside the District of Columbia.

COUNCIL OF ECONOMIC ADVISERS

Salaries and expenses: For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U. S. C. 1021), including personal services in the District of Columbia;

travel expenses; purchase of one passenger motor vehicle for replacement only; printing and binding; newspapers and periodicals (not exceeding $200); press clippings (not exceeding $300); a health-service program as authorized by law (5 U. S. C. 150); and payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); $300,000.

OFFICE FOR EMERGENCY MANAGEMENT

PHILIPPINE ALIEN PROPERTY ADMINISTRATION

Administrative expenses, Philippine Alien Property Administration: The Philippine Alien Property Administrator is hereby authorized to pay out of any funds or other property or interest vested in him or transferred to him, necessary expenses incurred in carrying out the powers and duties conferred on him pursuant to the Trading With the Enemy Act, as amended (50 U. S. C. App.), and the Philippine Property Act of 1946 (60 Stat. 418): *Provided*, That not to exceed $250,000 shall be available for the current fiscal year for the general administrative expenses of the Philippine Alien Property Administration, including the salary of the Administrator at $10,330 per annum; printing and binding; rent of private or Government-owned space in the District of Columbia; employment outside the United States of persons without regard to the civil service and classification laws including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); personal services in the District of Columbia and expenses of attendance at meetings of organizations concerned with the work of the agency: *Provided further*, That on or before November 1 of the current fiscal year the Philippine Alien Property Administrator shall make a report to the Appropriations Committees of the Senate and the House of Representatives giving detailed information on all administrative and nonadministrative expenses incurred during the next preceding fiscal year, in connection with the activities of the Philippine Alien Property Administration.

INDEPENDENT OFFICES

AMERICAN BATTLE MONUMENTS COMMISSION

Salaries and expenses: For necessary expenses, as authorized by the Act of June 26, 1946 (36 U. S. C. 121, 123–132, 138), including the acquisition of land or interest in land in foreign countries; personal services in the District of Columbia; purchase and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its Territories and possessions at a cost not exceeding $600; travel expenses; rent of office and garage space in foreign countries; the purchase of two passenger motor vehicles, including one at not to exceed $2,500; printing, binding, engraving, lithographing, photographing, and typewriting; $644,300: *Provided*, That where station allowance has been authorized by the Department of the Army for officers of the Army serving the Army at certain foreign stations, the same allowance shall be authorized for officers of the armed forces assigned to the Commission while serving at the same foreign stations, and this appropriation is hereby made available for

the payment of such allowance: *Provided further*, That when traveling on business of the Commission, officers of the armed forces serving as members or as secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission.

Construction of memorials and cemeteries: For the permanent design and construction of memorials and cemeteries in foreign countries as authorized by the Act of June 26, 1946 (36 U. S. C. 121, 123–132, 138), and the Act of August 5, 1947 (Public Law 368), $5,276,500, of which $1;276,500 is for payment of obligations incurred under authority provided under this head in the Independent Offices Appropriation Act, 1949, to remain available until expended; and in addition the Commission is authorized to enter into contracts in the amount of $5,000,000 for the purposes of this appropriation.

ATOMIC ENERGY COMMISSION

For expenses necessary to carry out the purposes of the Atomic Energy Act of 1946, including personal services in the District of Columbia and employment of aliens; purchase of land and interests in land; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); purchase of passenger motor vehicles for replacement only; purchase, maintenance, and operation of aircraft; printing and binding; health-service program as authorized by law (5 U. S. C. 150); publication and dissemination of atomic information; payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); purchase, repair, and cleaning of uniforms; purchase of newspapers and periodicals (not to exceed $8,000) and travel expenses; official entertainment expenses (not to exceed $5,000); and payment of obligations incurred under prior year contract authorizations; $702,930,769, together with the unexpended balances, as of June 30, 1949, of prior year appropriations to the Atomic Energy Commission, of which amounts $100,000 may be expended for objects of a confidential nature and in any such case the certificate of the Commission as to the amount of the expenditure and that it is deemed inadvisable to specify the nature thereof shall be deemed a sufficient voucher for the sum therein expressed to have been expended; from which appropriation transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred; and in addition to the amount herein provided, the Commission is authorized to contract for the purposes of this appropriation during the current fiscal year in an amount not exceeding $387,189,628: *Provided*, That no part of this appropriation shall be used to pay the salary of any officer or employee (except such officers and employees whose compensation is fixed by law, and scientific and technical personnel) whose position would be subject to the Classification Act of 1923, as amended, if such Act were applicable to such position, at a rate in excess of the rate payable under such Act for positions of equivalent difficulty or responsibility: *Provided further*, That not to exceed $2,700,000 of the amount herein appropriated may be transferred to the Department of the Navy for the acquisition, construction, and installation, at a location to be determined, of facilities (including necessary land and rights

pertaining thereto) to replace existing Navy facilities at Arco, Idaho, which latter facilities are hereby authorized to be transferred by the Secretary of the Navy to the Commission for its purposes: *Provided further*, That no part of this appropriation or contract authorization shall be used—

(A) to start any new construction project for which an estimate was not included in the budget for the current fiscal year;

(B) to start any new construction project the currently estimated cost of which exceeds the estimated cost included therefor in such budget; or

(C) to continue any community facility construction project whenever the currently estimated cost thereof exceeds the estimated cost included therefor in such budget;

unless the Director of the Bureau of the Budget specifically approves the start of such construction project or its continuation and a detailed explanation thereof is submitted forthwith by the Director to the Appropriations Committees of the Senate and the House of Representatives and the Joint Committee on Atomic Energy; the limitations contained in this proviso shall not apply to any construction project the total estimated cost of which does not exceed $500,000; and, as used herein, the term "construction project" includes the purchase, alteration, or improvement of buildings, and the term "budget" includes the detailed justification supporting the budget estimates: *Provided further*, That whenever the current estimate to complete any construction project (except community facilities) exceeds by 15 per centum the estimated cost included therefor in such budget or the estimated cost of a construction project covered by clause (A) of the foregoing proviso which has been approved by the Director, the Commission shall forthwith submit a detailed explanation thereof to the Director of the Bureau of the Budget and the Committees on Appropriations of the Senate and of the House of Representatives and the Joint Committee on Atomic Energy.

CIVIL SERVICE COMMISSION

Salaries and expenses: For necessary expenses, personal services in the District of Columbia; not to exceed $25,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); not to exceed $10,000 for medical examinations performed for veterans by private physicians on a fee basis; travel expenses of examiners acting under the direction of the Commission, and expenses of examinations and investigations held in Washington and elsewhere; not to exceed $500 for payment in advance for library membership in societies whose publications are available to members only or to members at a price lower than to the general public; purchase of three passenger motor vehicles; printing and binding; not to exceed $50,000 for performing the duties imposed upon the Commission by the Act of July 19, 1940 (54 Stat. 767); not to exceed $250,000 for allocation to the Federal Bureau of Investigation as required for investigation of applicants for certain positions involving national security when requested by the head of the department or agency concerned in cases where the department or agency concerned does not maintain its own investigative staff; a health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section

403 of the Federal Tort Claims Act (28 U. S. C. 2672); and not to exceed $5,000 for actuarial services by contract, without regard to section 3709, Revised Statutes, as amended; $16,000,000: *Provided*, That no details from any executive department or independent establishment in the District of Columbia or elsewhere to the Commission's central office in Washington or to any of its regional offices shall be made during the current fiscal year, but this shall not affect the making of details for service as members of the boards of examiners outside the immediate offices of the Commission in Washington or of the regional directors, nor shall it affect the making of details of persons qualified to serve as expert examiners on special subjects: *Provided further*, That the Civil Service Commission shall have power in case of emergency to transfer or detail any of its employees to or from its office or field force: *Provided further*, That members of the Loyalty Review Board in Washington and of the regional loyalty boards in the field may be paid actual transportation expenses, and not to exceed $10 per diem in lieu of subsistence while traveling on official business away from their homes or regular places of business, and while en route to and from and at the place where their services are to be performed: *Provided further*, That nothing in section 281 or 283 of title 18, United States Code, or in section 190 of the Revised Statutes (5 U. S. C. 99) shall be deemed to apply to any person because of his appointment for part-time or intermittent service as a member of the Loyalty Review Board or a regional loyalty board in the Civil Service Commission.

No part of the appropriations herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, established pursuant to Executive Order Numbered 9358 of July 1, 1943, or for the compensation or expenses of any member of a board of examiners (1) who has not made affidavit that he has not appeared in any agency proceeding within the preceding two years, and will not thereafter while a board member appear in any agency proceeding, as a party, or in behalf of a party to the proceeding, before an agency in which an applicant is employed who has been rated or will be rated by such member; or (2) who, after making such affidavit, has rated an applicant who at the time of the rating is employed by an agency before which the board member has appeared as a party, or in behalf of a party, within the preceding two years: *Provided*, That the definitions of "agency", "agency proceeding" and "party" in section 2 of the Administrative Procedure Act shall apply to these terms as used herein.

No part of appropriations herein shall be used to pay the compensation of officers and employees of the Civil Service Commission who allocate or reallocate supervisory positions in the classified civil service solely on the size of the group, section, bureau, or other organization unit, or on the number of subordinates supervised. References to size of the group, section, bureau, or other organization unit or the number of subordinates supervised may be given effect only to the extent warranted by the work load of such organization unit and then only in combination with other factors, such as the kind, difficulty, and complexity of work supervised, the degree and scope of responsibility delegated to the supervisor, and the kind, degree, and value of the supervision actually exercised.

PANAMA CANAL CONSTRUCTION ANNUITY FUND

For payment of annuities authorized by the Act of May 29, 1944, as amended (48 U. S. C. 1373a), $5,894,300, to be available immediately.

CIVIL-SERVICE RETIREMENT AND DISABILITY FUND

For financing the liability of the United States, created by the Act approved May 22, 1920, and Acts amendatory thereof (5 U. S. C. chap. 14), $301,290,728, which amount shall be placed to the credit of the "civil-service retirement and disability fund".

CANAL ZONE RETIREMENT AND DISABILITY FUND

For financing the liability of the United States, created by the Act approved March 2, 1931, and Acts amendatory thereof (48 U. S. C. 1371n), $999,000, which amount shall be placed to the credit of the "Canal Zone retirement and disability fund".

ALASKA RAILROAD RETIREMENT AND DISABILITY FUND

For financing the liability of the United States created by the Act approved June 29, 1936 (5 U. S. C. 745), $215,000, which amount shall be placed to the credit of the "Alaska Railroad retirement and disability fund".

DISPLACED PERSONS COMMISSION

Displaced Persons Commission: For expenses necessary to carry out the provisions of the Displaced Persons Act of 1948 (Public Law 774, approved June 25, 1948), including personal services and rents in the District of Columbia; travel expenses without regard to the Standardized Government Travel Regulations, as amended, and the rates of per diem allowances under the Subsistence Expense Act of 1926, as amended; purchase (not to exceed twenty), and hire of passenger motor vehicles; printing and binding, including printing and binding outside the continental limits of the United States without regard to section 11 of the Act of March 1, 1919 (44 U. S. C. 111); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); health service program as authorized by law (5 U. S. C. 150); employment of aliens; payment of rent in foreign countries in advance; and purchases and services abroad without regard to section 3709 of the Revised Statutes; $4,210,000: *Provided*, That allocations may be made from this appropriation by the Commission upon approval by the Director of the Bureau of the Budget to any department, agency, corporation, or independent establishment of the Government for direct expenditure for the purposes of this appropriation, and any such expenditures may be made under the specific authority herein contained or under the authority governing the activities of the department, agency, corporation, or independent establishment to which amounts are allocated: *Provided further*, That the Commission may enter into agreements with governmental and private agencies and may make payment in advance or by reimbursement for expenses incurred by such agencies in rendering assistance to the Commission in carrying out the purposes of this Act.

FEDERAL COMMUNICATIONS COMMISSION

Salaries and expenses: For necessary expenses in performing the duties imposed by the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1064), the Ship Act of 1910, approved June 24, 1910, as amended (46 U. S. C. 484–487), the International Radiotelegraphic Convention (45 Stat., pt. 2, p. 2760), Executive Order 3513, dated July 9, 1921, as amended under date of June 30, 1934, relating to applications for submarine cable licenses, and the radiotelegraphy provisions of the Convention for Promoting Safety of Life at Sea, ratified by the President July 7, 1936, personal services in the District of Columbia, contract stenographic reporting services, special counsel fees, health service program as authorized by law (5 U. S. C. 150), payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), improvement and care of grounds and repairs to buildings (not to exceed $17,500), purchase of not to exceed fifteen passenger motor vehicles for replacement only, travel expenses (not to exceed $94,000), and printing and binding, $6,600,000: *Provided*, That funds appropriated under this paragraph may be used for application processing and hearings in connection with broadcast activities and for application processing in connection with safety and special services without regard to the apportionment of funds required by the Act of February 27, 1906 (31 U. S. C. 665).

FEDERAL POWER COMMISSION

Salaries and expenses: For expenses necessary for the work of the Commission, not otherwise provided for, as authorized by law, personal services in the District of Columbia; not to exceed $230,000 for travel; health service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); printing and binding; purchase (not to exceed four, for replacement only) and hire of passenger motor vehicles; and not to exceed $500 for newspapers; $3,700,000, of which amount not to exceed $10,000 shall be available for special counsel and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), but at rates not exceeding $50 per diem for individuals.

Flood-control surveys: For expenses necessary for the work of the Commission as authorized by section 4 of the Act of June 28, 1938 (33 U. S. C. 701j), and similar provisions in subsequent Acts, including personal services in the District of Columbia; contract stenographic reporting services, and printing and binding, $330,000.

FEDERAL TRADE COMMISSION

Salaries and expenses: For necessary expenses, personal services in the District of Columbia; health service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); contract stenographic reporting services; printing and binding; and newspapers not to exceed $700; $3,650,000: *Provided*, That no part of the funds appropriated herein for the Federal Trade Commission shall be expended upon any investigation hereafter provided by concurrent resolution of the Congress until funds are appropriated subsequently to the enactment of such resolution to finance the cost of such investigation.

FEDERAL WORKS AGENCY

OFFICE OF THE ADMINISTRATOR

Salaries and expenses: For salaries and expenses in the Office of the Administrator in the District of Columbia, including the salaries of an Assistant Administrator and a general counsel at $10,330 each per annum; purchase of newspapers and periodicals (not to exceed $150); health service program as authorized by law (5 U. S. C. 150); preparation, shipment, and installation of photographic displays, exhibits, and other descriptive materials; and travel expenses; $315,000.

Public Works Administration liquidation: The funds made available for "Public Works Administration liquidation" by the Second Deficiency Appropriation Act, 1944, as amended by the First Deficiency Appropriation Act, 1945, the First Deficiency Appropriation Act, 1946, the Third Deficiency Appropriation Act, 1946, the Independent Offices Appropriation Act, 1948, and the Independent Offices Appropriation Act, 1949, are hereby continued available until June 30, 1950, of which not to exceed $20,000 shall be available for administrative expenses during the current fiscal year, including not to exceed $1,200 for administrative expenses in connection with the city of East Peoria sewage project.

Servicing of securities (private funds): The Federal Works Administrator is authorized, in connection with the authority placed in him by the Independent Offices Appropriation Act, 1947, and section 6 of the Act of July 31, 1946 (16 U. S. C. 825u), in respect to all bonds and any other obligations under his jurisdiction, issued by public authorities, States, or other public bodies for projects financed by the Public Works Administration, to perform such services in the administration of such bonds and other obligations as he determines to be necessary and in the public interest: *Provided*, That such services shall be at the request of such public agencies: *Provided further*, That such public agencies shall pay to the United States the cost of such services and any funds thus received shall be deposited in a special account or accounts in the Treasury of the United States and shall be available to the Federal Works Administrator solely for defraying the cost of such services.

Appropriations and other funds available to the Federal Works Agency shall be available during the current fiscal year for (a) printing and binding; (b) services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), but at rates for individuals not in excess of $50 per diem; and (c) payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672).

PUBLIC BUILDINGS ADMINISTRATION

For carrying into effect the provisions of the Public Buildings Acts, as provided in section 6 of the Act of May 30, 1908 (31 U. S. C. 683), and for the repair, preservation, and upkeep of all completed public buildings under the control of the Federal Works Agency, the mechanical equipment and the grounds thereof, and sites acquired for buildings, and for the operation of certain completed and occupied buildings under the control of the Federal Works Agency, including

furniture and repairs thereof, but exclusive, with respect to operation, of buildings of the United States Coast Guard, of hospitals, quarantine stations, and other Public Health Service buildings, mints, bullion depositories, and assay offices, and buildings operated by the Treasury and Post Office Departments in the District of Columbia:

General administrative expenses: For necessary expenses of the Public Buildings Administration, personal services in the District of Columbia; ground rent of the Federal buildings at Salamanca, New York, and Columbus, Mississippi, for which payment may be made in advance; $1,763,000, together with the unobligated balance of funds appropriated for the return of departmental functions to the seat of government, contained in the "Independent Offices Appropriation Act, 1948": *Provided*, That the foregoing appropriations shall not be available for the cost of surveys, plaster models, progress photographs, test pits and borings, or mill and shop inspections, but the cost thereof shall be construed to be chargeable against the construction appropriations of the respective projects to which they relate.

Repair, preservation, and equipment, outside the District of Columbia: For the repair, alteration, improvement, preservation, and equipment, not otherwise provided for, of completed Federal buildings, the grounds and approaches thereof, wharves, and piers, together with the necessary dredging adjacent thereto, and care and safeguarding of sites acquired for Federal buildings and of surplus real property, the custody of which is the responsibility of the Public Buildings Administration under the Act of August 27, 1935, pending sale or disposition; the demolition of buildings thereon; the purchase and repair of equipment and fixtures in buildings under the administration of the Federal Works Agency; and for changes in, maintenance of, and repairs to the pneumatic-tube system in New York City installed under franchise of the city of New York, approved June 29, 1909, and June 11, 1928, and the payment of any obligations arising thereunder in accordance with the provisions of the Acts approved August 5, 1909 (36 Stat. 120), and May 15, 1928 (45 Stat. 533); $10,000,000: *Provided*, That the total expenditures for the fiscal year for the repair and preservation of buildings not reserved by the vendors on sites acquired for buildings or the enlargement of buildings and the installation and repair of the mechanical equipment thereof shall not exceed 20 per centum of the annual rental of such buildings.

Salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area: For expenses necessary for the administration, protection, maintenance, and improvement of public buildings and grounds in the District of Columbia and the area adjacent thereto, maintained and operated by the Public Buildings Administration, including repair, preservation, and equipment of buildings operated by the Treasury and Post Office Departments in the District of Columbia; rent of buildings; demolition of buildings; expenses incident to moving various executive departments and establishments in connection with the assignment, allocation, transfer, and survey of building space; traveling expenses; the purchase of two passenger motor vehicles for replacement only; furnishings and equipment; arms and ammunition for the guard force; and purchase, repair, and cleaning of uniforms for guards and elevator conductors; $31,140,000: *Provided*, That all furniture now owned by the United States in other

public buildings or in buildings rented by the United States shall be used, so far as practicable, whether or not it corresponds with the present regulation plan for furniture.

Salaries and expenses, public buildings and grounds outside the District of Columbia: For expenses necessary for the administration, operation, protection, and maintenance of public buildings and grounds outside the District of Columbia maintained and operated by the Public Buildings Administration, including cleaning, heating, lighting, rental of buildings and equipment, supplies, materials, furnishings and equipment, personal services in the District of Columbia, arms, ammunition, purchase, repair, and cleaning of uniforms for guards and elevator conductors, the purchase of five passenger motor vehicles for replacement only, expenses incident to moving Government agencies in connection with the assignment, allocation, and transfer of building space, and the restoration of leased premises, $23,968,800: *Provided*, That all furniture now owned by the United States in other public buildings or in buildings rented by the United States shall be used, so far as practicable, whether or not it corresponds with the present regulation plan for furniture.

The provisions of section 322 of the Act of June 30, 1932, as amended (40 U. S. C. 278a), shall not apply to any lease entered into by, or transferred to, the Public Buildings Administration for the housing of activities specifically exempted from the provisions of the said Act, as amended.

Under the appropriations for salaries and expenses, public buildings and grounds in and outside the District of Columbia, and for national industrial reserve, per diem employees may be paid at rates approved by the Commissioner of Public Buildings not exceeding current rates for similar services in the place where such services are employed, and such employees in emergencies may be entered on duty subject to confirmation by the Federal Works Administrator.

The appropriations for salaries and expenses, public buildings and grounds in and outside the District of Columbia, shall be available for communication services serving one or more governmental activities, and for services to motor vehicles, and where such services, together with quarters, maintenance, or other services, are furnished on a reimbursable basis to any governmental activity, such activity shall make payment therefor promptly by check upon the request of the Public Buildings Administration, either in advance or after the service has been furnished, for deposit to the credit of the applicable appropriation, of all or part of the estimated or actual cost thereof, as the case may be, proper adjustment upon the basis of actual cost to be made for services paid for in advance.

Costs of maintenance, upkeep, and repair paid by Government corporations pursuant to section 306 of the Government Corporations Appropriation Act, 1948, shall be credited to the appropriations of the Public Buildings Administration bearing such costs.

Funds available to the Public Buildings Administration shall also be available for health-service programs as authorized by law (5 U. S. C. 150).

National industrial reserve: For expenses necessary to carry out the duties imposed upon the Federal Works Agency by the Act of July 2, 1948 (Public Law 883), relating to the retention and mainte-

nance of a national industrial reserve, including personal services in the District of Columbia; purchase of not to exceed eight passenger motor vehicles for replacement only; and maintenance, protection, repair, restoration, renovation, and other services by contract or otherwise without regard to section 3709 of the Revised Statutes; $12,500,000: *Provided*, That the War Assets Administration or its successor agency is hereby authorized and directed to transfer to the Public Buildings Administration, without reimbursement, the land and buildings comprising War Assets Administration disposal center numbered 12, Buffalo, New York, together with all appurtenances thereto: *Provided further*, That the Public Buildings Administration may furnish necessary utilities or services, at cost, to persons, firms or corporations in connection with the occupancy of such plants and the amounts received therefor may be credited as reimbursements to this appropriation.

Geophysical Institute, Alaska: For the establishment of a geophysical institute at the University of Alaska, as authorized by the Act of July 31, 1946 (48 U. S. C. 175, 175a), $875,000, to be immediately available and to remain available until expended, which amount shall be for the payment of obligations incurred under authority provided under this head in the Independent Offices Appropriation Act, 1949.

General Accounting Office Building, District of Columbia: For continuation of construction of a building for the use of the General Accounting Office on square 518, in the District of Columbia, under the provisions of the Act of May 18, 1948 (Public Law 533), to remain available until expended, $5,000,000, which shall be for payment of obligations incurred under authority granted under this head in the Second Deficiency Appropriation Act, 1948.

Federal Courts Building, District of Columbia: For the continuation of construction of a building for the use of the United States Court of Appeals for the District of Columbia and the District Court of the United States for the District of Columbia, as authorized by the Act of May 14, 1948 (Public Law 527), to remain available until expended, $5,000,000, which shall be for payment of obligations incurred under authority granted under this head in the Second Deficiency Appropriation Act, 1948.

PUBLIC ROADS ADMINISTRATION

General administrative expenses: For the employment of persons and means, including rent, advertising (including advertising in the city of Washington for work to be performed in areas adjacent thereto), purchase of periodicals, purchase of one hundred passenger motor vehicles for replacement only, health service program as authorized by law (5 U. S. C. 150), and the preparation, distribution, and display of exhibits, in the city of Washington and elsewhere for the purpose of conducting research and investigational studies, either independently or in cooperation with State highway departments, or other agencies, including studies of highway administration, legislation, finance, economics, transport, construction, operation, maintenance, utilization, and safety, and of street and highway traffic control; investigations and experiments in the best methods of road making, especially by the use of local materials; studies of types of mechanical

plants and appliances used for road building and maintenance, and of methods of road repair and maintenance suited to the needs of different localities; for maintenance and repairs of experimental highways; for furnishing expert advice on these subjects; for collating, reporting, and illustrating the results of same; and for preparing, publishing, and distributing bulletins and reports; to be paid from any moneys available from the administrative funds provided under the Act of July 11, 1916, as amended (23 U. S. C. 21), or as otherwise provided.

In carrying out the provisions of "An Act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", as amended and supplemented (23 U. S. C. 1–117), none of the money appropriated for the work of the Public Roads Administration during the current fiscal year shall be paid to any State on account of any project on which convict labor shall be employed, except this provision shall not apply to convict labor performed by convicts on parole or probation: *Provided*, That during the current fiscal year, whenever performing authorized engineering or other services in connection with the survey, construction, and maintenance, or improvement of roads for other Government agencies, cooperating foreign countries and State cooperating agencies the charge for such services may include depreciation on engineering and road-building equipment used, and the amounts received on account of such charges shall be credited to the appropriation concerned: *Provided further*, That during the current fiscal year the appropriations for the work of the Public Roads Administration shall be available for meeting the expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment stored therein for distribution to projects under the supervision of the Public Roads Administration, and for sale and for distribution to other Government activities, cooperating foreign countries and State cooperating agencies, the cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling) to be reimbursed to appropriations current at the time additional supplies, materials, or equipment are procured, from the appropriation chargeable with the cost or value of such supplies, materials, or equipment: *Provided further*, That the appropriations available to the Public Roads Administration may be used in emergency for medical supplies and services and other assistance necessary for the immediate relief of employees engaged on hazardous work under that Administration.

For all necessary expenses to enable the President to utilize the services of the Public Roads Administration in fulfilling the obligations of the United States under the Convention on the Pan-American Highway Between the United States and Other American Republics, signed at Buenos Aires, December 23, 1936, and proclaimed September 16, 1937 (51 Stat. 152), for the continuation of cooperation with several governments, members of the Pan American Union, in connection with the survey and construction of the Inter-American Highway as provided in public resolution, approved March 4, 1929 (Public Resolution 104), as amended or supplemented, and for performing engineering service in pan-American countries for and upon the request of any agency or governmental corporation of the United States, $100,000

to be derived from the administrative funds provided under the Act of July 11, 1916, as amended or supplemented (23 U. S. C. 21), or as otherwise provided.

Federal-aid postwar highways: For carrying out the provisions of the Federal-Aid Highway Act of 1944 (58 Stat. 838), $385,000,000, together with $1,509,000 of the unobligated balance of funds heretofore appropriated for access roads, to be immediately available and to remain available until expended, which sum is composed of $150,000,000, the remainder of the amount authorized to be appropriated for the second postwar fiscal year by section 2 of said Act, and $236,509,000, a part of the amount authorized to be appropriated for the third postwar year by said section 2.

Forest highways: For expenses necessary for carrying out the provisions of section 23 of the Federal Highway Act of November 9, 1921, as amended (23 U. S. C. 23, 23a), in accordance with section 3a of the Federal-Aid Highway Act of 1948 (Public Law 834, approved June 28, 1948), to be available immediately and to remain available until expended, $22,500,000, which sum is composed of $2,400,000, the remainder of the amount authorized by section 9 of the Federal-Aid Highway Act of 1944 (58 Stat. 842) to be appropriated for the first postwar fiscal year and $20,100,000, a part of the amount authorized by said section to be appropriated for the second postwar fiscal year; and of which total amount $7,500,000 is for payment of obligations incurred under authority granted in the appropriation for "Forest roads and trails" under the Department of Agriculture in the Second Deficiency Appropriation Act, 1948: *Provided*, That any unexpended balances of amounts appropriated for forest highways under "Forest roads and trails" under the Department of Agriculture which are transferred to the Public Roads Administration shall be consolidated with this appropriation.

Access roads: During the current fiscal year, not to exceed $70,000 of funds remaining unexpended upon completion of access road projects authorized to be constructed under the provisions of the Defense Highway Act of 1941, as amended by the Act of July 2, 1942 (23 U. S. C. 106), shall be available for the maintenance of roads and bridges under the jurisdiction of the Public Roads Administration on Government-owned land in Arlington County, Virginia.

BUREAU OF COMMUNITY FACILITIES

Public works advance planning: The unexpended balances on June 30, 1949, of funds made available for public works advance planning under title V of the War Mobilization and Reconversion Act of 1944 (58 Stat. 791), are hereby continued available for expenditure until June 30, 1950.

Liquidation of public works advance planning: Not to exceed $350,000 of the unobligated balance on June 30, 1949, of the funds made available for public works advance planning under title V of the War Mobilization and Reconversion Act of 1944 (58 Stat. 791) shall be available during the current fiscal year for administrative expenses incident to the liquidation of the activity for which said funds were appropriated, including the objects specified under this head in the Independent Offices Appropriation Act, 1946.

Virgin Islands public works: For an additional amount to carry out the provisions of the Act of December 20, 1944 (58 Stat. 827), $680,000, to be available immediately.

War public works (community facilities) liquidation: For administrative expenses necessary during the current fiscal year for the liquidation of all activities under titles II, III, and IV of the Act of October 14, 1940, as amended (42 U. S. C. 1531–1534, 1541, and 1562), including personal services and rents in the District of Columbia; printing and binding; and a health service program as authorized by law (5 U. S. C. 150); not to exceed $175,000 of the unobligated balances of the funds heretofore appropriated for carrying out the provisions of titles II, III, and IV of the Act of October 14, 1940, as amended (42 U. S. C. 1531–1534, 1541, and 1562).

Veterans' educational facilities: Of the limitation of $4,000,000 on the amount for administrative expenses under this head in the Independent Offices Appropriation Act, 1949, the amount to be used exclusively for payment for accumulated and accrued leave to separated or furloughed employees is decreased from $467,000 to $367,000.

Grants for plan preparation, water pollution control: For grants to States, municipalities, or interstate agencies to aid in financing the cost of action preliminary to the construction of projects for water pollution control as authorized by section 8 (c) of the Water Pollution Control Act of June 30, 1948 (62 Stat. 1155), $200,000.

Administrative expenses, water pollution control: For expenses necessary to carry out the administrative functions of the Federal Works Agency under the provisions of the Water Pollution Control Act of June 30, 1948 (62 Stat. 1155), as authorized by section 8 (e) of said Act, including personal services in the District of Columbia; travel; hire of passenger motor vehicles; health service programs as authorized by law (5 U. S. C. 150); and exchange of books; $50,000.

GENERAL ACCOUNTING OFFICE

Salaries: For personal services in the District of Columbia and elsewhere, $33,500,000.

Miscellaneous expenses: For necessary expenses, including printing and binding and the purchase of one passenger motor vehicle for replacement only, $1,570,000.

Appropriations for the General Accounting Office shall be available for a health service program as authorized by law (5 U. S. C. 150), for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a).

HOUSING AND HOME FINANCE AGENCY

OFFICE OF THE ADMINISTRATOR

Salaries and expenses: For necessary expenses of the Office of the Administrator, including personal services and rent in the District of Columbia; printing and binding; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); expenses of attendance at meetings of organizations concerned with the work of the Agency; payment of tort claims pursuant to law (28 U. S. C. 2672); a health service program as authorized by law (5 U. S. C. 150); $1,200,000.

PUBLIC HOUSING ADMINISTRATION

Annual contributions: For the payment of annual contributions to public housing agencies in accordance with section 10 of the United States Housing Act of 1937, as amended (42 U. S. C. 1410), $5,000,000: *Provided*, That except for payments required on contracts entered into prior to April 18, 1940, no part of this appropriation shall be available for payment to any public housing agency for expenditure in connection with any low-rent housing project, unless the public housing agency shall have adopted regulations prohibiting as a tenant of any such project by rental or occupancy any person other than a citizen of the United States, but such prohibition shall not be applicable in the case of a family of any serviceman or the family of any veteran who has been discharged (other than dishonorably) from, or the family of any serviceman who died in, the armed forces of the United States within four years prior to the date of application for admission to such housing: *Provided further*, That no part of this appropriation shall be used to pay any public housing agency any contribution occasioned by payments in lieu of taxes in excess of the amount specified in the original contract between such agency and the Public Housing Administration or its predecessor agencies: *Provided further*, That all expenditures of this appropriation shall be subject to audit and final settlement by the Comptroller General of the United States under the provisions of the Budget and Accounting Act of 1921, as amended.

OFFICE OF THE HOUSING EXPEDITER

Salaries and expenses, Office of the Housing Expediter: For expenses necessary to carry out the functions of the Office of the Housing Expediter, including personal services in the District of Columbia; attendance at meetings of organizations concerned with rent control; hire of passenger motor vehicles; printing and binding; purchase of newspapers (not to exceed $10,000); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); not to exceed $5,000 for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and health service program as authorized by law (5 U. S. C. 150); $17,500,000: *Provided*, That the appropriation and authority with respect to the appropriation in this paragraph shall be available from and including July 1, 1949, for the purposes provided in such appropriation and authority. All obligations incurred during the period between August 15, 1949, and the date of enactment of this Act in anticipation of such appropriation and authority are hereby ratified and confirmed if in accordance with the terms thereof: *Provided further*, That as to cases involving the functions transferred to the Office of the Housing Expediter by Executive Order 9841, section 204 (e) of the Emergency Price Control Act of 1942, as amended, shall be considered as remaining in full force and effect during fiscal year 1950.

INDIAN CLAIMS COMMISSION

Salaries and expenses: For expenses necessary to carry out the purposes of the Act of August 13, 1946 (Public Law 726), creating an Indian Claims Commission, including personal services in the District of Columbia, and printing and binding, $90,000.

INLAND WATERWAYS CORPORATION

Inland Waterways Corporation: For the purchase of capital stock of the Inland Waterways Corporation (administered under the supervision and direction of the Secretary of Commerce) authorized by section 2 of the Act of June 3, 1924, as amended (49 U. S. C. 152), $1,000,000, to remain available until expended.

INTERSTATE COMMERCE COMMISSION

General expenses: For expenses necessary in performing the functions vested by law in the Commission (49 U. S. C. 1–24, 301–327, 901–923, 1001–1022), except those otherwise specifically provided for in this Act, and for general administration; not to exceed $5,000 for the employment of special counsel; contract stenographic reporting services; personal services in the District of Columbia; newspapers (not to exceed $200); health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); purchase of ten passenger motor vehicles for replacement only; and printing and binding; $9,600,000, of which $100,000 shall be available for valuations of pipe lines, and $3,656,039 shall be available for the work of the Bureau of Motor Carriers: *Provided*, That Joint Board members and cooperating State commissioners may use Government transportation requests when traveling in connection with their duties as such.

Railroad safety: For expenses necessary in performing functions authorized by law (45 U. S. C. 1–15, 17–21, 35–46, 61–64; 49 U. S. C. 26) to insure a maximum of safety in the operation of railroads, including authority to investigate, test experimentally, and report on the use and need of any appliances or systems intended to promote the safety of railway operation, including those pertaining to block-signal and train-control systems, as authorized by the joint resolution approved June 30, 1906, and the Sundry Civil Act of May 27, 1908 (45 U. S. C. 35–37), and to require carriers by railroad subject to the Act to install automatic train-stop or train-control devices as prescribed by the Commission (49 U. S. C. 26), including the employment of inspectors, engineers, and personal services in the District of Columbia, and payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $958,500.

Locomotive inspection: For expenses necessary in the enforcement of the Act of February 17, 1911, entitled "An Act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto", as amended (45 U. S. C. 22–34), including personal services in the District of Columbia, and payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $674,500.

INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

Contribution to Interstate Commission on the Potomac River Basin: To enable the Secretary of the Treasury to pay in advance to the Interstate Commission on the Potomac River Basin the Federal contri-

bution toward the expenses of the Commission during the current fiscal year in the administration of its business in the conservancy district established pursuant to the Act of July 11, 1940 (54 Stat. 748), $5,000.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Salaries and expenses: For necessary expenses of the Committee, including contracts, without regard to section 3709, Revised Statutes, as amended, for the making of special investigations and reports and for engineering, drafting and computing services; equipment, maintenance, and operation of the Langley Aeronautical Laboratory, the Ames Aeronautical Laboratory, and the Lewis Flight Propulsion Laboratory; purchase and maintenance of cafeteria equipment; maintenance and operation of aircraft; purchase of eight passenger motor vehicles for replacement only; printing and binding; personal services in the District of Columbia; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); including $2,500 for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and a health service program for employees as authorized by law (5 U. S. C. 150); in all, $43,000,000: *Provided*, That statutory provisions prohibiting the payment of compensation to aliens shall not apply to any person whose employment by the Committee shall be determined by the Chairman thereof to be necessary: *Provided further*, That aircraft and parts, equipment, and supplies may be transferred to the Committee by the Air Force, Army, and Navy without reimbursement.

Construction and equipment: For construction and equipment at laboratories and research stations of the Committee, including the acquisition of that part of Wallops Island, Accomac County, Virginia, not presently owned by the Government, and not to exceed one acre in the vicinity of Wallops Island, Accomac County, Virginia, adjoining land heretofore acquired by the Government, to be available until June 30 of the next succeeding year, $10,000,000, of which $7,277,200 shall be available for payments under contracts entered into pursuant to the contract authority under this head in the Independent Offices Appropriation Act, 1949: *Provided*, That in addition, the Committee may enter into contracts for the purposes of this appropriation in an amount not in excess of $10,000,000.

NATIONAL ARCHIVES

Salaries and expenses: For necessary expenses of the Archivist and the National Archives; including personal services in the District of Columbia; scientific, technical, first-aid, protective, and other apparatus and materials for the arrangement, titling, scoring, repair, processing, editing, duplication, reproduction, and authentication of photographic and other records (including motion-picture and other films and sound recordings) in the custody of the Archivist; printing and binding; contract stenographic reporting services; travel expenses; payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and a health-service program as authorized by law (5 U. S. C. 150); $1,350,000.

Salaries and expenses, war records: For expenses necessary for the preparation of guides and other finding aids to records of the Second World War, including personal services in the District of Columbia; arranging, titling, scoring, processing, editing, duplication, reproduction, and authentication of photographic and other records (including motion-picture and other films and sound recordings); printing and binding; a health service program as authorized by law (5 U. S. C. 150); and payment of tort claims pursuant to law (28 U. S. C. 2672); $100,000: *Provided*, That this appropriation shall be consolidated with the appropriation "Salaries and expenses, National Archives", and accounted for as one fund.

NATIONAL CAPITAL HOUSING AUTHORITY

Maintenance and operation of properties: For the maintenance and operation of properties under title I of the District of Columbia Alley Dwelling Authority Act, $34,900: *Provided*, That all receipts derived from sales, leases, or other sources shall be covered into the Treasury of the United States monthly.

NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Land acquisition, National Capital and metropolitan area: For necessary expenses for the National Capital Park and Planning Commission in connection with the acquisition of land for the park, parkway, and playground system of the National Capital, as authorized by the Act of May 29, 1930 (46 Stat. 482), and amendment of August 8, 1946 (60 Stat. 960); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), and real estate appraisers, by contract or otherwise without regard to the civil service and classification laws and section 3709, Revised Statutes, at rates of pay or fees not to exceed those usual for similar services; purchase of options and other costs incident to the acquisition of land; $695,000, to remain available until expended, $498,000 of said sum to be used for carrying out the provisions of section 1 (b) of said Act and $197,000 for carrying out the provisions of section 4 of said Act: *Provided*, That not exceeding $29,000 of the funds available under the above appropriation during the current fiscal year may be used for regular and part-time personal services of the Commission, excepting services by contract.

District of Columbia redevelopment project planning: For printing and binding of a comprehensive plan prepared in accordance with the Act of August 2, 1946 (60 Stat. 790), $20,000.

PHILIPPINE WAR DAMAGE COMMISSION

Philippine War Damage Commission: For carrying out the provisions of title I of the Philippine Rehabilitation Act of 1946, $184,800,000, to remain available until April 30, 1951, of which not to exceed $3,502,554 shall be for necessary expenses of the Philippine War Damage Commission for the current fiscal year, including personal services in the District of Columbia; purchase of newspapers and periodicals not to exceed $200; housing of American employees by

rental or lease and necessary repairs and alterations to and maintenance of quarters, without regard to section 322 of the Act of June 30, 1932, as amended (40 U. S. C. 278a); printing and binding without regard to section 11 of the Act of March 1, 1919 (44 U. S. C. 111); and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided*, That the provisions of the Act of June 29, 1936 (46 U. S. C. 1241), shall not apply to any travel or transportation of effects payable from this appropriation: *Provided further*, That no payment shall be made under the provisions of such title of such Act to any person who, by a civil or military court having jurisdiction, has been found guilty of collaborating with the enemy or of any act involving disloyalty to the United States or the Republic of the Philippines: *Provided further*, That no part of this appropriation shall be available for engaging in any phase of activity or for undertaking any phase of activity authorized by the Philippine Rehabilitation Act of 1946 which would result in obligating the Government of the United States in any sense or respect to the future payment of amounts in excess of the amounts authorized to be appropriated in such Act: *Provided further*, That $20,000,000 of this appropriation shall be available immediately: *Provided further*, That the limitation under this head in the Independent Offices Appropriation Act, 1949, on the amount available for necessary expenses, is increased from "$2,907,991" to "$2,979,991": *Provided further*, That the limitation imposed by section 104 of the Independent Offices Appropriation Act, 1949, on the amount available for travel expenses under this head for the fiscal year 1949, is increased from "$227,720" to "$299,720".

SECURITIES AND EXCHANGE COMMISSION

Salaries and expenses: For necessary expenses, personal services in the District of Columbia; health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); not to exceed $1,150 for the purchase of newspapers; printing and binding; and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); $5,750,000.

SELECTIVE SERVICE SYSTEM

Salaries and expenses: For expenses necessary for the operation and maintenance of the Selective Service System, as authorized by title I of the Selective Service Act of 1948 (62 Stat. 604) including personal services in the District of Columbia; printing and binding; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); purchase of typewriters; not to exceed $500 for the purchase of newspapers and periodicals; and a health-service program as authorized by law (5 U. S. C. 150); $8,500,000.

SMITHSONIAN INSTITUTION

Salaries and expenses, Smithsonian Institution: For all necessary expenses for the preservation, exhibition, and increase of collections from the surveying and exploring expeditions of the Government and

from other sources; for the system of international exchanges between the United States and foreign countries; for anthropological researches among the American Indians and the natives of Hawaii and the excavation and preservation of archeological remains; for maintenance of the Astrophysical Observatory and making necessary observations in high altitudes; for the administration of the National Collection of Fine Arts; for the administration, and for the construction and maintenance, of laboratory and other facilities on Barro Colorado Island, Canal Zone, under the provisions of the Act of July 2, 1940, as amended by the provisions of Reorganization Plan Numbered 3 of 1946; for the maintenance and administration of a national air museum as authorized by the Act of August 12, 1946 (20 U. S. C. 77); including personal services in the District of Columbia and not to exceed $35,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); traveling expenses; payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); printing and binding, including printing the report of the American Historical Association; purchase, repair, and cleaning of uniforms for guards and elevator conductors; repairs and alterations of buildings and approaches; and preparation of manuscripts, drawings, and illustrations for publications; $2,300,000.

Salaries and expenses, National Gallery of Art: For the upkeep and operation of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including personal services in the District of Columbia; health-service program as authorized by law (5 U. S. C. 150); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); traveling expenses; not to exceed $250 for payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards and elevator operators; printing and binding; purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance and repair of buildings, approaches, and grounds; $1,087,700: *Provided*, That section 3709 of the Revised Statutes, or the Classification Act of 1923 as amended, shall not apply to the restoration and repair of works of art for the National Gallery of Art, the cost of which shall not exceed $15,000.

TARIFF COMMISSION

Salaries and expenses: For necessary expenses of the Tariff Commission, including personal services in the District of Columbia, printing and binding, subscriptions to newspapers not to exceed $250, health-service program as authorized by law (5 U. S. C. 150), and contract stenographic reporting services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), $1,237,500: *Provided*, That no part of this appropriation shall be used to pay the salary of

any member of the Tariff Commission who shall hereafter participate in any proceedings under sections 336, 337, and 338 of the Tariff Act of 1930, wherein he or any member of his family has any special, direct, and pecuniary interest, or in which he has acted as attorney or special representative.

TENNESSEE VALLEY AUTHORITY

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U. S. C., ch. 12A), including purchase (not to exceed one) and hire, maintenance, repair, and operation of aircraft; the purchase (not to exceed one hundred and twelve for replacement only) and hire of passenger motor vehicles, $49,359,150 to remain available until expended, and to be available for the payment of obligations chargeable against prior appropriations.

THE TAX COURT OF THE UNITED STATES

Salaries and expenses: For necessary expenses, including printing and binding and contract stenographic reporting services, $800,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

UNITED STATES MARITIME COMMISSION

Salaries and expenses: For expenses necessary for carrying into effect the Merchant Marine Act, 1936, and other laws administered by the United States Maritime Commission, $63,014,174, within limitations as follows:

Administrative expenses, including personal services in the District of Columbia; printing and binding; not to exceed $2,000 for newspapers and periodicals; not to exceed $17,700 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and not to exceed $1,125 for entertainment of officials of other countries when specifically authorized by the Chairman; in all, not to exceed $8,950,142, together with not to exceed $586,648 of the unobligated balance in the Federal ship mortgage insurance fund, revolving fund: *Provided*, That the Maritime Commission is authorized to dispense with the administrative audit of agents' accounts covering voyages beginning prior to April 1, 1949;

New ship construction, including reconditioning and betterment, as authorized by title V of the Merchant Marine Act, 1936 (except for construction of two prototype vessels under title VII of said Act), $26,875,000, of which $12,000,000 is for payment of obligations incurred under authority granted under this head in the Supplemental Independent Offices Appropriation Act, 1949, to enter into contracts for new ship construction in an amount not to exceed $75,000,000; and, in addition, the Commission is authorized to enter into contracts for new ship construction in an amount not to exceed $50,000,000: *Provided*, That no part of this contract authority shall be used to start any new ship construction for which an estimate was not included in the budget for the current fiscal year, nor to start any new ship construction the currently estimated cost of which exceeds by 10 per

centum the estimated cost included therefor in such budget unless the Director of the Bureau of the Budget specifically approves the start of such ship construction and the Director shall submit forthwith a detailed explanation thereof to the Committees on Appropriations of the Senate and of the House of Representatives; and, as used herein, the term "budget" includes the detailed justification supporting the budget estimates: *Provided further*, That not to exceed $104,000,000 of the funds and contract authority made available for new ship construction, including reconditioning and betterment, in the Supplemental Independent Offices Appropriation Act, 1949, shall continue to be available until December 31, 1949;

Maintenance of shipyard facilities, $425,000;

Operation of warehouses, $480,000;

Operating-differential subsidies, $18,218,382: *Provided*, That to the extent that the operating-differential subsidy accrual (computed on the basis of parity) is represented on the operator's books by a contingent accounts receivable item against the Commission as a partial or complete offset to the recapture accrual, the operator (1) shall be excused from making deposits in the Special Reserve Fund and, (2) as to the amount of such earnings the deposit of which is so excused, shall be entitled to the same tax treatment as though it had been deposited in said Special Reserve Fund. To the extent that any amount paid to the operator by the Commission reduces the balance in the operator's contingent receivable account against the Commission, such amount, unless it is forthwith deposited in the fund, shall be considered as withdrawn under section 607 (h) of the Merchant Marine Act, 1936, as amended;

Reserve fleet expense, $7,134,800;

Maintenance and operation of terminals, $510,850;

Miscellaneous expenses, including payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672), $420,000, of which $250,000 shall be available exclusively for liquidation of liens or claims which may take precedence over the Government's preferred mortgage on vessels.

Maritime training: For training personnel for the manning of the merchant marine (including operation of training stations at Kings Point, New York; Sheepshead Bay, New York; Pass Christian, Mississippi; Saint Petersburg, Florida; Alameda, California, and the United States Maritime Service Institute), including not to exceed $3,065,000 for personal services (exclusive of pay of cadet midshipmen and other trainees) in the District of Columbia and elsewhere; printing and binding; health-service program as authorized by law (5 U. S. C. 150); not to exceed $2,500 for contingencies for the Superintendent, United States Merchant Marine Academy, to be expended in his discretion; and not to exceed $100,000 for transfer to applicable appropriations of the Public Health Service for services rendered the Commission, $6,586,000, including the pay of cadet midshipmen and other trainees.

State marine schools: To reimburse the State of California, $50,000; the State of Maine, $50,000; the State of Massachusetts, $50,000; and the State of New York, $50,000; for expenses incurred in the maintenance and support of marine schools in such States as provided in the Act authorizing the establishment of marine schools, and so forth,

approved March 4, 1911, as amended (34 U. S. C. 1121–1123); and for the maintenance and repair of vessels loaned by the United States to the said States for use in connection with such State marine schools, $170,000; in all, $370,000.

War Shipping Administration liquidation: Not to exceed $15,000,000 of the unexpended balance of the appropriation to the Secretary of the Treasury in the Second Supplemental Appropriation Act, 1948, for liquidation of obligations found by the General Accounting Office to have been properly incurred against funds of the War Shipping Administration prior to January 1, 1947, is hereby continued available during the current fiscal year.

Notwithstanding any other provision of this Act, the Commission is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Commission, and payments received by the Commission for utilities, services, and repairs so furnished or made shall be credited to the appropriation charged with the cost thereof: *Provided*, That rental payments under any such lease, contract, or occupancy on account of items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

The United States Maritime Commission shall not incur any obligations during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act: *Provided*, That nothing contained herein and in the Independent Offices Appropriation Act, 1948, shall be construed to affect the authority of the Commission pursuant to the provisions of section 603 (a) of the Merchant Marine Act, 1936, as amended, (1) to grant operating differential subsidies on a long-term basis and (2) to obligate the United States to make future payments in accordance with the terms of such operating-differential subsidy contracts, and all receipts which otherwise would be deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts.

VETERANS' ADMINISTRATION

Administration, medical, hospital, and domiciliary services: For necessary expenses of the Veterans' Administration, including maintenance and operation of medical, hospital, and domiciliary services, in carrying out the functions pursuant to all laws for which the Administration is charged with administering, including personal services in the District of Columbia; health-service program as authorized by law (5 U. S. C. 150); purchase of one hundred and thirty-one passenger motor vehicles for replacement only; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); maintenance and operation of farms; recreational articles and facilities at institutions maintained by the Veterans' Administration; expenses incidental to securing employment for war veterans; funeral, burial, and other expenses incidental thereto for beneficiaries of the Veterans' Administration except burial awards authorized by Veterans' Administration Regulation Numbered 9 (a), as amended; aid to State or Territorial homes in conformity with the Act approved

August 27, 1888, as amended (24 U. S. C. 134), for the support of veterans eligible for admission to Veterans' Administration facilities for hospital or domiciliary care; not to exceed $5,600 for newspapers and periodicals; and not to exceed $56,800 for the preparation, shipment, installation, and display of exhibits, photographic displays, moving pictures, and other visual educational information and descriptive material, including the purchase or rental of equipment; $855,000,000, from which allotments and transfers may be made to the Federal Security Agency (Public Health Service), the Army, Navy, and Interior Departments, for disbursement by them under the various headings of their applicable appropriations, of such amounts as are necessary for the care and treatment of beneficiaries of the Veterans' Administration: *Provided*, That no part of this appropriation shall be used to pay in excess of one hundred persons engaged in public relations work: *Provided further*, That no part of this appropriation shall be expended for the purchase of any site for or toward the construction of any new hospital or home, or for the purchase of any hospital or home; and not more than $3,254,900 of this appropriation may be used to repair, alter, improve, or provide facilities in the several hospitals and homes under the jurisdiction of the Veterans' Administration either by contract or by the hire of temporary employees and the purchase of materials: *Provided further*, That hereafter the Administrator shall assign as his representatives, as provided for in the last sentence of section 1100 (a) of the Servicemen's Readjustment Act of 1944 (38 U. S. C. 696f), only such numbers of regional or sectional representatives as he finds necessary to provide for the processing of readjustment allowances in an efficient and economical manner: *Provided further*, That at least one of such representatives shall be assigned to and reside in each State.

Tort claims: For payment of claims pursuant to section 403 of the Federal Tort Claim Act (28 U. S. C. 2672), $15,000.

Pensions: For the payment of compensation, pensions, gratuities, and allowances (including subsistence allowances authorized by part VII of Veterans Regulation 1a, as amended), authorized under any Act of Congress, or regulation of the President based thereon, including emergency officers' retirement pay and annuities, the administration of which is now or may hereafter be placed in the Veterans' Administration, and for the payment of adjusted-service credits as provided in sections 401 and 601 of the Act of May 19, 1924, as amended (38 U. S. C. 631 and 661), $1,998,801,000, to be immediately available and to remain available until expended.

Readjustment benefits: For the payment of benefits to or on behalf of veterans as authorized by titles II, III, and V, of the Servicemen's Readjustment Act of 1944, $2,197,503,000, to be immediately available and to remain available until expended: *Provided*, That no part of this appropriation for education and training under title II of the Servicemen's Readjustment Act, as amended, shall be expended for tuition, fees, or other charges, or for subsistence allowance, for any course elected or commenced by a veteran on or subsequent to July 1, 1948, and which is determined by the Administrator to be avocational or recreational in character. For the purposes of this proviso, education or training for the purpose of teaching a veteran to fly or related aviation courses in connection with his present or contemplated busi-

ness or occupation shall not, in the absence of substantial evidence t the contrary, be considered avocational or recreational when a certi cate in the form of an affidavit supported by corroborating affidavit by two competent disinterested persons, has been furnished by physically qualified veteran stating that such education or trainin will be useful to him in connection with earning a livelihood: *Provided further*, That no part of this appropriation for education an training under title II of the Servicemen's Readjustment Act, a amended, shall be expended subsequent to the effective date of this A for subsistence allowance or for tuition, fees, or other charges in an of the following situations:

(1) For any veteran for a course in an institution which has bee in operation for a period of less than one year immediately prio to the date of enrollment in such course unless such enrollment wa prior to the date of this Act;

(2) For any course of education or training for which the educa tional or training institution involved has no customary cost of tu tion, until a fair and reasonable rate of payment for tuition, fees, o other charges for such course has been determined. In any case i which one or more contracts providing a rate or rates of tuition hav been executed for two successive years, the rate established by the mos recent contract shall be considered to be the customary cost of tuitio notwithstanding the definition of "customary cost of tuition" as herein after set forth. If the Administrator finds that any institution has n customary cost of tuition he shall forthwith fix and pay or cause to b paid a fair and reasonable rate of payment for tuition, fees, and othe charges for the courses offered by such institution. Any educationa or training institution which is dissatisfied with a determination of rate of payment for tuition, fees, or other charges under the foregoin provisions of this paragraph shall be entitled, upon application there for, to a review of such determination (including the determinatio with respect to whether there is a customary cost of tuition) by a boar to be known as the "Veterans' Tuition Appeals Board" consisting o three members, appointed by the Administrator for such purpos Such board shall be subject, in respect to appointment, hearing appeals, and all other actions and qualifications, to the provisions o sections 5 to 11, inclusive, of the Administrative Procedure Ac approved June 11, 1946, as amended. The decision of such board wit respect to all matters shall constitute the final administrative deter mination. In no event shall the board fix a rate of payment in exces of the maximum amount allowable under the Servicemen's Readjust ment Act, as amended. The term "customary cost of tuition" a employed herein and in paragraph 5, part VIII, Veterans Regulatio Numbered 1 (a), as amended, is regarded as that charge which a educational or training institution requires a nonveteran enrolle similarly circumstanced to pay as and for tuition for a course, excep that the institution (other than a nonprofit institution of higher learn ing) is not regarded as having a "customary cost of tuition" for th course or courses in question in the following circumstances:

(a) Where the majority of the enrollment of the educational an training institution in the course in question consists of veterans i training under Public Laws 16 and 346, Seventy-eighth Congress, a amended; and

(b) One of the following conditions prevails:

1. The institution has been established subsequent to June 22, 1944.

2. The institution, although established prior to June 22, 1944, has not been in continuous operation since that date.

3. The institution, although established prior to June 22, 1944, has subsequently increased its total tuition charges for the course to all students more than 25 per centum.

4. The course (or a course of substantially the same length and character) was not provided for nonveteran students by the institution prior to June 22, 1944, although the institution itself was established before June 22, 1944: *Provided further*, That nothing in the foregoing proviso shall be construed to affect adversely any legal rights which have accrued prior to the date of enactment of this Act, or to affect payments to educational or training institutions under contracts in effect on such date.

Military and naval insurance: For military and naval insurance, $3,735,000, to be immediately available and to remain available until expended.

Hospital and domiciliary facilities: The authority under this head in the Third Urgent Deficiency Appropriation Act, 1946, the Independent Offices Appropriation Act, 1948, and the Supplemental Independent Offices Appropriation Act, 1949, to incur obligations for the purposes specified in those Acts, is hereby extended to July 1, 1951: *Provided*, That not to exceed 6.7 per centum of the foregoing contract authorizations shall be available for the employment in the District of Columbia and in the field of all necessary technical and clerical personnel for the preparation of plans and specifications for the projects as approved hereunder and in the supervision of the execution thereof, and for all travel expenses, field office equipment, and supplies in connection therewith, except that whenever the Veterans' Administration finds it necessary in the construction of any project to employ other Government agencies or persons outside the Federal service to perform such services not to exceed 10 per centum of the cost of such projects may be expended for such services: *Provided further*, That not to exceed $10,000,000 of the foregoing contract authorizations shall be obligated for portable initial equipment, including the purchase of one hundred and fifty-one passenger motor vehicles.

National service life insurance: For the payment of benefits and for transfer to the national service life insurance fund, in accordance with the National Service Life Insurance Act of 1940, as amended, $467,450,000. to be immediately available and to remain available until expended: *Provided*, That certain premiums shall be credited to this appropriation as provided by the Act.

Veterans' miscellaneous benefits: For the payment of burial awards authorized by Veterans' Administration Regulation Numbered 9 (a), as amended, and for supplies, equipment, and tuition authorized by part VII and payments authorized by part IX of Veterans' Administration Regulation Numbered 1 (a), as amended, $75,330,000, to remain available until expended.

Grants to the Republic of the Philippines: For payments to the Republic of the Philippines of grants in accordance with the Act of

July 1, 1948 (Public Law 865), for (a) construction and equipping of hospitals, $9,400,000, to be immediately available and to remain available until expended, and (b) expenses incident to medical care and treatment of veterans, $3,285,000.

No part of the foregoing appropriations shall be available for hospitalization or examination of any persons except beneficiaries entitled under the laws bestowing such benefits to veterans, unless reimbursement of cost is made to the appropriation at such rates as may be fixed by the Administrator of Veterans' Affairs.

INDEPENDENT OFFICES—GENERAL PROVISIONS

SEC. 102. No part of any appropriation contained in this title shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this title shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 102–A. No part of any appropriation contained in this title for the Atomic Energy Commission shall be used to confer a fellowship on any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence or with respect to whom the Commission finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations, and loyalty of whom, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States: *Provided*, That any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence and accepts employment or a fellowship the salary, wages, stipend, grant, or expenses for which are paid from any appropriation contained in this title shall be guilty of a felony and, upon

conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 103. Where appropriations in this title are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth therefor in the budget estimates submitted for the appropriations.

SEC. 104. Where appropriations in this title are expendable for the purchase of newspapers and periodicals and no specific limitation has been placed thereon, the expenditures therefor under each such appropriation may not exceed the amount of $50: *Provided*, That this limitation shall not apply to the purchase of scientific, technical, trade, or traffic periodicals necessary in connection with the performance of the authorized functions of the agencies for which funds are herein provided.

SEC. 105. No part of any appropriation contained in this title shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the armed forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Civil Service Commission as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 106. Appropriations contained in this title, available for expenses of travel, shall be available, when specifically authorized by the head of the activity or establishment concerned, for expenses of attendance at meetings of organizations concerned with the function or activity for which the appropriation concerned is made; and shall be available for the examination of estimates of appropriations and activities in the field.

SEC. 107. No part of any appropriation or fund contained in this title shall be available for installing or maintaining systems for administrative appropriation, fund, or inventory accounting except such systems as are prescribed or approved by the Comptroller General: *Provided*, That all agencies, for whose activities provision is made in this title, shall hereafter maintain fiscal-accounting control of all inventories of supplies, materials, or equipment which may be owned by or be in the custody of such agencies.

SEC. 108. No part of any appropriations made available by the provisions of this title shall be used for the purchase or sale of real estate or for the purpose of establishing new offices outside the District of Columbia: *Provided*, That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor.

SEC. 109. All agencies provided for in this title shall furnish an administrative break-down of the costs of personnel and other obligations in the District of Columbia and in the field in such detail as the

Subcommittees on Independent Offices Appropriations of the Committees on Appropriations of the Senate and the House of Representatives may direct.

SEC. 110. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and fifteen, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

SEC. 111. None of the sections under the head "Independent offices—General provisions" in this title, except section 102, shall apply to the Housing and Home Finance Agency, the Inland Waterways Corporation, or the Tennessee Valley Authority.

TITLE II

CORPORATIONS

The following corporations and agencies, respectively, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Budget for the fiscal year 1950 for each such corporation or agency, except as hereinafter provided:

HOUSING AND HOME FINANCE AGENCY

Home Loan Bank Board: Not to exceed a total of $427,500 to be derived from the special deposit account established under the provisions under the head "Federal Home Loan Bank Administration" in the Independent Offices Appropriation Act, 1944, and from receipts of the Federal Home Loan Bank Administration, the Federal Home Loan Bank Board, or the Home Loan Bank Board for the current fiscal year and prior fiscal years, shall be available during the current fiscal year for administrative expenses of the Home Loan Bank Board, including health-service program as authorized by law (5 U. S. C. 150), and the Board may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Federal Savings and Loan Insurance Corporation, the Home Owners' Loan Corporation, and other agencies of the Government: *Provided*, That all necessary expenses in connection with the conservatorship of institutions insured by the Federal Savings and Loan Insurance Corporation and all necessary expenses (including

services performed on a contract or fee basis, but not including other personal services) in connection with the handling, including the purchase, sale, and exchange, of securities on behalf of Federal home-loan banks, and the sale, issuance, and retirement of, or payment of interest on, debentures or bonds, under the Federal Home Loan Bank Act, as amended, shall be considered as nonadministrative expenses for the purposes hereof: *Provided further*, That notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of the Board shall be incurred, allowed, and paid in accordance with the provisions of the Federal Home Loan Bank Act of July 22, 1932, as amended (12 U. S. C. 1421–1449).

Federal Savings and Loan Insurance Corporation: Not to exceed $617,500 shall be available for administrative expenses, including health-service program as authorized by law (5 U. S. C. 150), which shall be on an accrual basis and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, expenses in connection with liquidation of insured institutions, liquidation or handling of assets of or derived from insured institutions, payment of insurance, and action for or toward the avoidance, termination, or minimizing of losses in the case of specific insured institutions, and legal fees and expenses, and said Corporation may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Home Loan Bank Board, the Home Owners' Loan Corporation, and other agencies of the Government: *Provided*, That notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of said Corporation shall be incurred, allowed, and paid in accordance with title IV of the Act of June 27, 1934, as amended (12 U. S. C. 1724–1730).

Home Owners' Loan Corporation: Not to exceed $1,823,250 shall be available for administrative expenses, including health-service program as authorized by law (5 U. S. C. 150), which shall be on an accrual basis and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, expenses (including personal services) in connection with the termination or liquidation of accounts carried on the books of the corporation not to exceed $300,000, expenses (including services performed on a force account, contract, or fee basis, but not including other personal services) in connection with the acquisition, protection, operation, maintenance, improvement, or disposition of real or personal property belonging to said Corporation or in which it has an interest, and legal fees and expenses, and said Corporation may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and other agencies of the Government: *Provided*, That, notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of said Corporation shall be incurred, allowed, and paid in accordance with the Home Owners' Loan Act of 1933, as amended (12 U. S. C. 1461–1468).

Federal Housing Administration: In addition to the amounts available by or pursuant to law (which shall be transferred to this author-

ization) for the administrative expenses of the Federal Housing Administration in carrying out duties imposed by or pursuant to law, not to exceed $22,500,000 of the various funds of the Federal Housing Administration as follows: (1) the mutual mortgage insurance fund; (2) the housing insurance fund; (3) the account in the Treasury comprised of funds derived from premiums collected under authority of section 2 (f), title I of the National Housing Act, as amended (12 U. S. C. 1701); (4) the war housing insurance fund; and (5) the housing investment insurance fund shall be available for expenditure, in accordance with the provisions of said Act for the administrative expenses of the Federal Housing Administration, including purchase of not to exceed one passenger motor vehicle, for replacement only; not to exceed $1,500 for periodicals and newspapers; not to exceed $1,300 for contract actuarial services; and health-service program as authorized by law (5 U. S. C. 150): *Provided*, That necessary expenses of the Administration (including services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, protection, completion, operation, maintenance, improvement, or disposition of real or personal property of the Administration acquired under authority of titles I, II, VI, and VII of said National Housing Act, shall be considered as nonadministrative for the purposes hereof: *Provided further*, That, except as herein otherwise provided, the administrative expenses and other obligations, including nonadministrative expenses, of the Administration shall be incurred, allowed, and paid in accordance with the provisions of said Act of June 27, 1934, as amended (12 U. S. C. 1701).

Public Housing Administration: Of the amounts available by or pursuant to law for the administrative expenses of the Public Housing Administration in carrying out duties imposed by or pursuant to law including not to exceed $2,329,550 of the funds available for administrative expenses for the United States Housing Act program, not to exceed $8,064,000 shall be available for such expenses, including purchase of not to exceed five passenger motor vehicles, for replacement only; and a health-service program as authorized by law (5 U. S. C. 150): *Provided*, That necessary expenses of providing representatives of the Administration at the sites of non-Federal projects in connection with the construction of such non-Federal projects by public housing agencies with the aid of the Administration, shall be compensated by such agencies by the payment of fixed fees which in the aggregate in relation to the development costs of such projects will cover the costs of rendering such services, and expenditures by the Administration for such purpose shall be considered nonadministrative expenses, and funds received from such payments may be used only for the payment of necessary expenses of providing representatives of the Administration at the sites of non-Federal projects or for administrative expenses of the Administration not in excess of the amount authorized by the Congress: *Provided further*, That the Administrator of the Housing and Home Finance Agency may relinquish and transfer, pursuant to the same general terms and conditions specified in subsections 305 (a) and (b) of the Act of October 14, 1940, as added by the Act of June 28, 1948 (Public Law 796), title to temporary housing provided for certain veterans and their families under title V of said Act of October 14, 1940, as amended, to any

State, county, city, or other public body: *Provided further*, That any application for such relinquishment and transfer shall be filed with the Administrator within one hundred and twenty days after the approval of this Act.

Liquidation of resettlement projects: Not to exceed $19,800 of the receipts derived from the operation of the projects transferred under section 4 (b) of Reorganization Plan Numbered 3 of 1947 shall be available for necessary expenses in connection with and to facilitate disposition of the suburban resettlement projects known as Greenbelt, Greendale, and Greenhills including services in accordance with section 15 of the Act of August 2, 1946 (5 U. S. C. 55a).

INLAND WATERWAYS CORPORATION

Inland Waterways Corporation (administered under the supervision and direction of the Secretary of Commerce): Not to exceed $522,000 shall be available for administrative expenses, to be determined in the manner set forth under the title "General expenses" in the Uniform System of Accounts for Carriers by Water of the Interstate Commerce Commission (effective January 1, 1947): *Provided*, That no funds shall be used to pay compensation of employees normally subject to the Classification Act of 1923, as amended, at rates in excess of rates fixed for similar services under the provisions of the Classification Act, as amended, nor to pay the compensation of vessel employees and such terminal and other employees as are not covered by the Classification Act, at rates in excess of rates prevailing in the river transportation industry in the area (including prevailing leave allowances for vessel employees, but the granting of such allowances shall not be construed as establishing a different leave system within the meaning of that term as used in section 3 of the Act of December 21, 1944 (5 U. S. C. 61d)).

TENNESSEE VALLEY AUTHORITY

Not to exceed $3,699,000 of the funds available to the Tennessee Valley Authority, shall be available during the current fiscal year for all administrative and general expenses of the Corporation, which expenses shall be inclusive of costs of all administrative offices and other activities representing management and other functions serving the programs and projects of the Corporation in general.

CORPORATIONS—GENERAL PROVISIONS

SEC. 202. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this

section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any funds available to any corporation or agency included in this title shall be guilty of a felony, and upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing laws.

SEC. 203. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and fifteen, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

TITLE III—GENERAL PROVISIONS

DEPARTMENTS AND AGENCIES

SEC. 301. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year, in accordance with section 16 of the Act of August 2, 1946 (5 U. S. C. 78), for the purchase of any passenger motor vehicle (exclusive of busses, ambulances, and station wagons), is hereby fixed at $1,400.

SEC. 302. Unless otherwise specified and during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act who, being eligible for citizenship, had filed a declaration of intention to become a citizen of the United States prior to such date, or (3) is a person who owes allegiance to the United States: *Provided*,

That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony and, upon conviction, shall be fined not more than $4,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of the Republic of the Philippines or to nationals of those countries allied with the United States in the prosecution of the war.

SEC. 303. Appropriations of the executive departments and independent establishments for the current fiscal year, available for expenses of travel or for the expenses of the activity concerned, are hereby made available for living quarters allowances in accordance with the Act of June 26, 1930 (5 U. S. C. 118a), and regulations prescribed thereunder, and cost-of-living allowances similar to those allowed under section 901 (2) of the Foreign Service Act of 1946, in accordance with and to the extent prescribed by regulations of the President, for all civilian officers and employees of the Government permanently stationed in foreign countries: *Provided*, That the availability of appropriations made to the Department of State for carrying out the provisions of the Foreign Service Act of 1946 shall not be affected hereby.

SEC. 304. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve of the nomination of said person.

SEC. 305. No part of any appropriation contained in this or any other Act shall be used to pay in excess of $4 per volume for the current and future volumes of the United States Code Annotated and such volumes shall be purchased on condition and with the understanding that latest published cumulative annual pocket parts issued prior to the date of purchase shall be furnished free of charge, or in excess of $4.25 per volume for the current or future volumes of the Lifetime Federal Digest.

CORPORATIONS

SEC. 306. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to the Government Corporation Control Act, as amended (31 U. S. C. 841), shall be available, in addition to objects for which such funds are otherwise available, for personal services and rent in the District of Columbia; printing and binding; examination of budgets and estimates of appropriations in the field; travel expenses in accordance with the Standardized Government Travel Regulations, the Subsistence Expense Act of 1926 as amended (except as to per diem rates outside continental United States) and the Act of February 14, 1931, as amended (5 U. S. C. 73a); services in accordance with section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and the objects specified in the sections of this title under the head "Depart-

ments and agencies", all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

SEC. 307. No part of any funds of or available to any wholly owned Government corporation shall be used for the purchase or construction, or in making loans for the purchase or construction of any office building at the seat of government primarily for occupancy by any department or agency of the United States Government or by any corporation owned by the United States Government.

SEC. 308. Funds of corporations and agencies, subject to the Government Corporation Control Act, as amended, covered by the provisions of this or any other Act shall be available during the current fiscal year for payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672).

SEC. 309. After June 30, 1949, the corporations or agencies subject to the Government Corporation Control Act, as amended (31 U. S. C. 841), are authorized, with the approval of the Comptroller General, to consolidate, notwithstanding the provisions of any other law, into one or more accounts for banking and checking purposes all cash, including amounts appropriated, from whatever source derived: *Provided*, That such cash, including amounts appropriated, of such corporations or agencies shall be expended in accordance with the applicable terms of their respective enabling acts and any other acts applicable to their transactions.

TITLE IV—REDUCTIONS IN APPROPRIATIONS

Amounts available from appropriations and other funds are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this Act, except as otherwise indicated:

FUNDS APPROPRIATED TO THE PRESIDENT

Payments, Armed Forces Leave Act, 1946: $135,000,000.

Overtime, leave, and holiday compensation: The balance remaining unobligated on June 30, 1949, such balance to be carried to the surplus fund and covered into the Treasury immediately thereafter.

FEDERAL WORKS AGENCY

Office of the Administrator: Public works advance planning under title V of the War Mobilization and Reconversion Act of 1944, $4,164,000.

VETERANS' ADMINISTRATION

Administrative facilities: $1,250,000.

Vocational Rehabilitation Revolving Fund: $500,000.

This Act may be cited as the "Independent Offices Appropriation Act, 1950".

Approved August 24, 1949.

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